



Corporate Office & Communication Address:

401 Aza House, 24, Turner Road, Bandra (W), Mumbai 400 050. Website: www.panamapetro.com
Phone : 91-22-42177777 | Fax : 91-22-42177788 | E-mail : ho@panamapetro.com
CIN No. L23209GJI982PLC005062

July 28, 2026

BSE Limited

Pjroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400 001
Scrip Code: 524820

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1
G Block, BKC, Mumbai-400 051
Scrip Symbol : PANAMAPET

Sub: Annual Report - Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report for the financial year 2025-26, including the Notice convening the Annual General Meeting is attached herewith.

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

We request you to take the same on your records.

Thanking You.

Yours faithfully,

For **PANAMA PETROCHEM LIMITED**

Gayatri Sharma

Company Secretary & Compliance Officer

44th

Annual Report
2025-26



Read Inside

02
15

Corporate Overview

- 02 - About Panama Petrochem Limited
- 03 - Corporate Information
- 04 - Chairman Statement
- 06 - MD & CEO Message
- 08 - Board of Directors
- 10 - Financial Highlights
- 11 - Global Presence
- 12 - People Fuelling Progress
- 14 - Shaping the Future Together

16
25

Notice

- 16 - Notice



To know more about the Company, log on to
<https://panamapetro.com/>

26
96

Statutory Reports

- 26 - Directors' Report
- 43 - Management Discussion and Analysis Report
- 50 - Report on Corporate Governance
- 71 - Business Responsibility & Sustainability Report

97
212

Financial Statements

- 98 - Standalone Financial Statements
- 157 - Consolidated Financial Statements

Aligned with our strategic priorities, we remain committed to driving technological advancements, enhancing operational efficiency, and expanding our market presence. By fostering a culture of innovation and continuous improvement, we strive to enhance productivity, optimize resource utilization, and reinforce our competitive edge in the evolving petrochemical landscape. With a focus on resilience and adaptability, we continue to invest in initiatives that create lasting value for our stakeholders and contribute to sustainable industry growth.

About

Panama Petrochem Limited

Panama Petrochem Limited is an Indian-based company engaged in the manufacturing of specialty petroleum products, catering to diverse industries including printing, textiles, rubber, pharmaceuticals, cosmetics, and other industrial applications. The Company's key products include liquid paraffin oil (white oil), petroleum jelly, and transformer oil.

Established in 1982, Panama Petrochem Limited has built a strong reputation for quality, innovation, and customer-centric solutions. With a commitment to excellence, the Company continues to invest in research, technology, and infrastructure to enhance its product portfolio and manufacturing capabilities, ensuring it meets the evolving needs of global markets.

In addition to its manufacturing facilities in India, Panama Petrochem Limited has a strategic international presence through its wholly-owned subsidiary, Panol Industries RMC FZE, located in Ras Al Khaimah, UAE. This facility strengthens the Company's global footprint and enhances its ability to serve international markets efficiently.

With a focus on sustainable growth, Panama Petrochem Limited is actively exploring new markets and expanding its distribution network. The Company remains dedicated to driving innovation, enhancing operational efficiency, and delivering long-term value to its stakeholders.



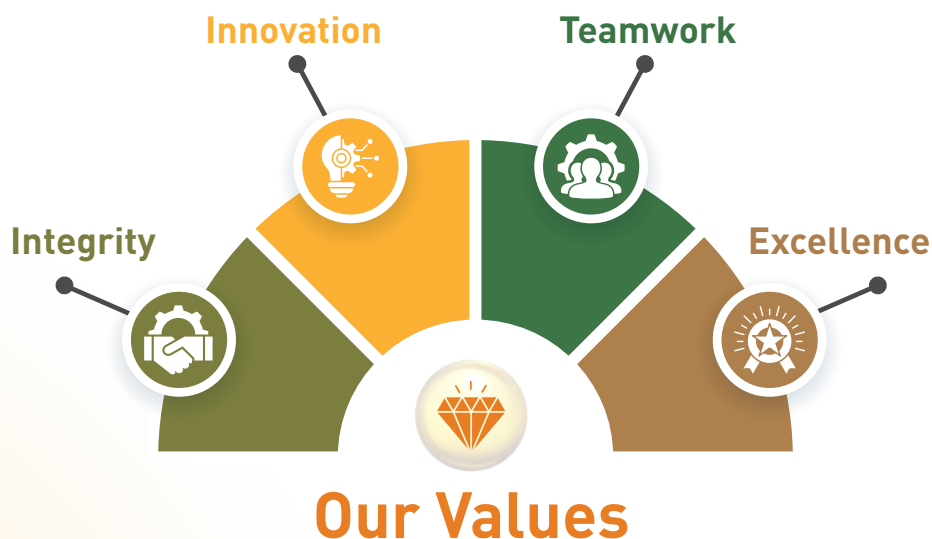
Mission

To deliver high-quality products and services with a commitment to safety, sustainability, and innovation. We operate with integrity, prioritize continuous improvement, and create value for our stakeholders while upholding environmental responsibility.



Vision

Striving to be a global name in the petrochemical industry, recognized for our excellence in quality management, continuous improvement, and unwavering commitment to teamwork.



Corporate Information

Chief Financial Officer

Mr. Pramod Maheshwari

Statutory Auditor

JMR & Associates LLP, Chartered Accountants, Mumbai, India

Company Secretary & Compliance Officer

Ms. Gayatri Sharma

Listed at

BSE Limited

National Stock Exchange of India Limited

Corporate Office

401, Aza House, 24, Turner Road Bandra (W), Mumbai 400050, India

Tel: 91-22-42177777

Fax: 91-22-42177788

Website: www.panamapetro.com

E-mail: ho@panamapetro.com

Registered Office

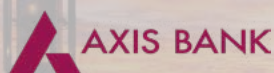
Plot No: 3303, G.I.D.C. Estate

Ankleshwar 393 002, Gujarat, India

Tel: 91-2646-221 068

Fax: 91-2646- 250281

Bankers



Chairman Statement

Transforming Potential into Sustainable Value



During FY 2025-26, the Company delivered a strong financial performance, on a standalone basis, the Company's revenue from operations increased by 10.48% to ₹ 1,961.81 Crore as compared to the previous financial year.

Arif Rayani
Chairman

Dear Stakeholders,

I am truly humbled by the opportunity to lead this organization and it is my privilege to address you as the Chairman of Panama Petrochem Limited.

As we enter the next chapter of our journey, we do so with confidence in our capabilities and a steadfast commitment to creating sustainable value for all our stakeholders. The year under review has been marked by steady progress, allowing us to build upon our strong legacy, reinforce the trust we have earned over the years, and remain guided by the principles and values that define our Company.

Progress and Outlook

During FY 2025-26, the Company delivered a strong financial performance, on a standalone basis, the Company's revenue from operations increased by 10.48% to ₹ 1,961.81 Crore as compared to the previous financial year. The Company's EBITDA stood at ₹ 210.17 Crore, registering a growth of 16.52% over the previous year, reflecting enhanced operating performance and improved margins. Consequently, the standalone Profit after tax increased significantly by 22.89% to ₹ 143.28 Crore as compared to the previous year. Earnings per share (EPS) on a standalone basis also improved to ₹ 23.69 as against ₹ 19.27 in the previous year.

On a consolidated basis, the Company's revenue from operations increased by 9.72% year-on-year to ₹ 3,064.26 Crore for the year ended March 31, 2026. The consolidated Profit after tax stood at ₹ 212.50 Crore, reflecting a growth of 13.62% over the previous year.

This improvement in profitability was primarily attributable to higher sales volume, a favourable product mix, operational efficiencies, and prudent cost control measures across the Organisation. Consequently, the consolidated earnings per share (EPS) increased to ₹ 35.13 from ₹ 30.92 in the previous financial year. The management remains focused on sustaining profitable growth through capacity expansion, operational excellence, and continued strengthening of its market presence.

Our performance in a tough inflationary environment aptly demonstrates the power and consistency of Panama Petrochem Limited's strategic efforts, which helped us capitalize on our brand strength while continuing to innovate and deepen our engagement with our consumers, and progress well with expanding our presence in key categories and report market share gains across our product portfolios.

During FY 2025-26, the Company spent ₹ 3.79 Crore on various CSR initiatives, reaffirming our commitment to responsible corporate citizenship and sustainable development. We remain dedicated to creating shared value and making a meaningful difference in the lives of those we touch.

Our People and Culture

At Panama Petrochem Limited, our people are our greatest strength and the driving force behind our continued success. As we advance on our growth journey, we remain committed to fostering a workplace that nurtures talent, encourages innovation, promotes a culture of inclusivity and excellence.

During FY 2025-26, we continued to invest in strengthening our human capital through focused initiatives in capability building, leadership development, employee engagement, and well-being. These efforts are aimed at creating a future-ready workforce equipped to navigate an evolving business landscape and contribute meaningfully to the Company's long-term objectives.

The values that have guided our Company for decades continue to serve as the foundation of our culture. Integrity, respect, responsibility, innovation, and empathy remain deeply embedded in the way we work, and engage with one another. As we continue to grow, preserving these values while fostering greater agility, accountability, and performance excellence remains a key priority.

Strengthening Communities Together

Our commitment to sustainable growth extends beyond business performance to creating a positive and lasting impact on society. Through our Corporate Social Responsibility initiatives, we strive to contribute meaningfully to the well-being and development of the communities in which we operate.

We remain focused on supporting programmes that promote education, healthcare and community development. By partnering with educational institutions and healthcare organizations we seek to create opportunities, improve livelihoods, and contribute to building stronger and more resilient communities.

During FY 2025-26, the Company spent ₹ 3.79 Crore on various CSR initiatives, reaffirming our commitment to responsible corporate citizenship and sustainable development. We remain dedicated to creating shared value and making a meaningful difference in the lives of those we touch.

The Way Forward

As we look ahead, we do so with confidence in our capabilities and optimism about the opportunities that lie before us. Guided by our vision and strengthened by the trust of our stakeholders, we continue to build a resilient and future-focused organization capable of delivering sustainable growth.

Our diversified portfolio, strong market presence, and commitment to innovation position us well to capitalize on emerging opportunities across our businesses.

While global economic and geopolitical uncertainties continue to present challenges, we remain confident in the strength of our business fundamentals and the resilience of our strategic approach.

Through disciplined execution, prudent capital allocation, and a relentless focus on customer value, we are well positioned to navigate evolving market conditions and deliver long-term value to all our stakeholders.

Conclusion

I would like to express my heartfelt gratitude to our employees, customers, suppliers, banking partners, and fellow Board Members for their unwavering support and invaluable contributions to the Company's continued success.

I also extend my sincere appreciation to our shareholders for the trust and confidence you have placed in us. Your continued support remains a source of strength and motivation as we pursue new opportunities and strive for higher standards of excellence.

Arif Rayani
Chairman

MD & CEO Message

Creating Value Through Strategic Excellence



Our ability to consistently perform in a challenging environment is a testament to the strength of our business model, the dedication of our employees, and the trust reposed in us by our stakeholders.

Mr. Samir A. Rayani
MD&CEO

Dear Stakeholders,

As I reflect on the remarkable journey of Panama Petrochem Limited, I am filled with immense pride in the significant progress we have achieved over the years. Our success has been built on resilience, adaptability, and a relentless commitment to excellence.

Throughout our journey, we have navigated changing market dynamics, economic uncertainties, and industry challenges with determination, viewing every obstacle as an opportunity to innovate, improve, and emerge stronger.

The past several years have tested businesses across the globe through economic disruptions, geopolitical uncertainties, evolving regulatory frameworks, and inflationary pressures. Despite these challenges, Panama Petrochem Limited has remained agile and forward-looking, embracing technological advancements, strengthening operational capabilities, and enhancing customer-centric solutions. Our continuous focus on innovation and value creation has enabled us to strengthen our market position and deliver sustainable solutions that meet the evolving needs of our customers.

Driving Growth Through Operational Excellence

Our ability to consistently perform in a challenging environment is a testament to the strength of our business model, the dedication of our employees, and the trust reposed in us by our stakeholders. While market conditions continue to evolve, we have remained focused on operational excellence, quality, reliability, and customer satisfaction—principles that have been the cornerstone of our success.

As part of our long-term growth strategy, we continue to expand our operational footprint across domestic and international markets, and invest in advanced technologies and infrastructure.

These investments are enabling us to enhance efficiencies, improve competitiveness, and build a stronger platform for sustainable growth. At the same time, we remain committed to nurturing enduring relationships with our customers, suppliers, business partners, employees, and the communities we serve.

Strengthening Market Leadership

Today, Panama Petrochem Limited stands stronger than ever. Our expanding market presence, strategic partnerships, diversified product portfolio, and commitment to innovation have reinforced our leadership position in the industry. We remain focused on creating long-term value by delivering high-quality products, enhancing customer experience, and pursuing growth opportunities that align with our strategic objectives.

Sustainability at the Core

Sustainability continues to be an integral part of our business philosophy and growth strategy. We recognize that long-term success is closely linked to responsible environmental stewardship and strong stakeholder engagement. Accordingly, ESG considerations are embedded across our operations and decision-making processes. We continue to focus on reducing our environmental footprint through initiatives aimed at emission reduction, energy and water conservation, resource optimization, and the development of environmentally responsible products.

We remain dedicated to maintaining the highest standards of safety, environmental responsibility, and corporate governance while creating sustainable value for all stakeholders.

Innovation and sustainability will continue to be key pillars of our growth strategy. We remain committed to developing value-added products, adopting environmentally responsible practices, and leveraging technology to enhance efficiency and competitiveness.

Our Future Roadmap

As we look ahead, we remain optimistic about the opportunities that lie before us, despite the evolving global economic and geopolitical landscape. Backed by a clear strategic vision, strong operational capabilities, and a resilient business model, we are well positioned to navigate challenges and capitalize on emerging growth opportunities.

Our focus remains on enhancing supply chain resilience, driving operational efficiencies, and investing in innovation and technology. These strategic priorities will enable us to better serve our customers, strengthen our market position, and support sustainable long-term growth.

Innovation and sustainability will continue to be key pillars of our growth strategy. We remain committed to developing value-added products, adopting environmentally responsible practices, and leveraging technology to enhance efficiency and competitiveness. At the same time, we will continue to invest in our people, fostering a culture of excellence, collaboration, and continuous learning.

With a strong foundation and a disciplined approach to execution, we are confident in our ability to drive profitable growth, create long-term value for our stakeholders, and further strengthen Panama Petrochem Limited's position as one of the leading players in the petrochemical industry.

Acknowledgement

I would like to express my sincere appreciation to our employees whose dedication, passion, and commitment continue to drive our success. I also extend my heartfelt gratitude to all our stakeholders for their unwavering support and trust in Panama Petrochem Limited.

Together, we will continue to build on our strong foundation, embrace new opportunities, and create a future defined by growth, innovation, and excellence.

Mr. Samir A. Rayani
MD&CEO

Board of Directors



Mr. Arif A. Rayani

Chairman (Executive)

Corporate Social Responsibility Committee - Member



Mr. Samir A. Rayani

Managing Director & CEO

Audit Committee - Member

Stakeholders Relationship Committee - Member



Mr. Hussein V. Rayani

Joint Managing Director

Risk Management Committee - Member



Mr. Amirali E. Rayani

Executive Director

Stakeholders Relationship Committee - Member



Mr. Kumar Raju Nandimandalam

Independent Director, Non-Executive

Stakeholders Relationship Committee - Member

Audit Committee- Member



Ms. Almas Nanda

Independent Director, Non-Executive

Nomination and Remuneration Committee - Member

Corporate Social Responsibility Committee - Chairperson

Risk Management Committee - Chairperson



Mr. Ashok Mukhi

Independent Director, Non-Executive

Nomination and Remuneration Committee - Chairman

Audit Committee - Chairman

Stakeholders Relationship Committee - Chairman



Mr. Arvind Shah

Independent Director, Non-Executive

Nomination and Remuneration Committee - Member

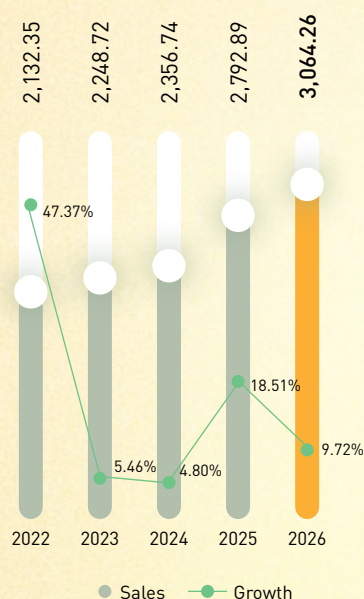
Corporate Social Responsibility Committee - Member

Risk Management Committee - Member

Financial Highlights

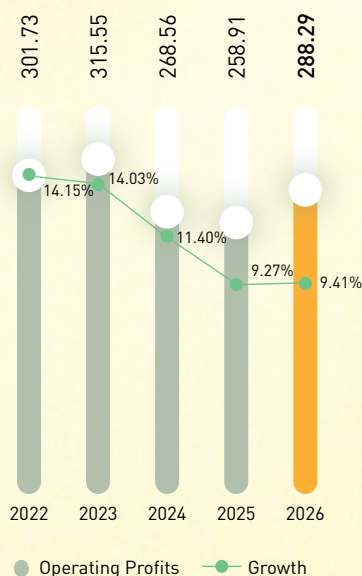
Sales & Growth

(₹ Cr) & %



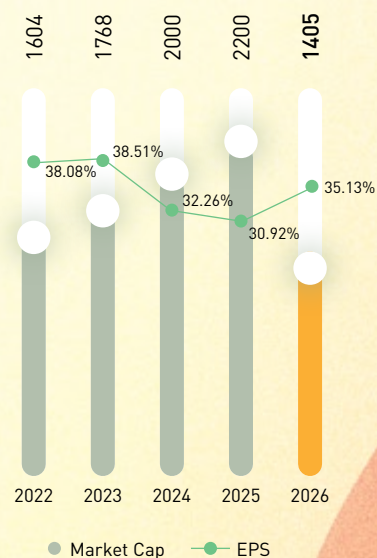
Operating Profits & Margins

(₹ Cr) & %



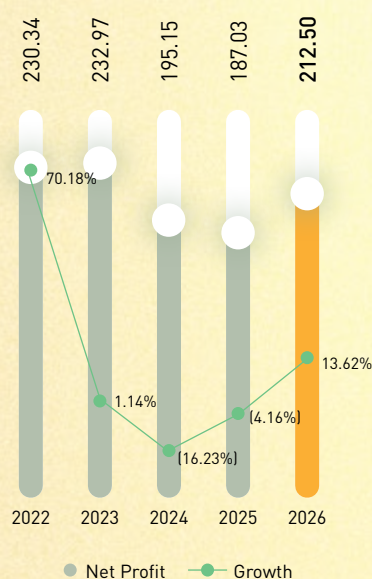
Market Cap & EPS

(₹ Cr) & %



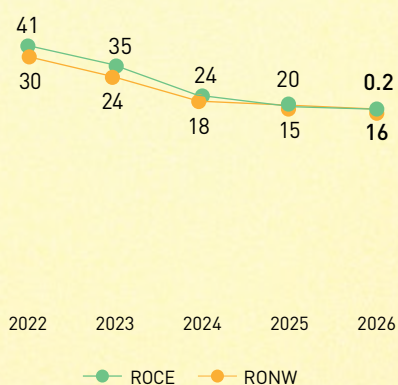
Net Profit & Growth

(₹ Cr) & %



Return Ratios

%



Global Presence



People

Fuelling Progress

Our growth and leadership in the petrochemical industry is fuelled by the creativity, dedication, and resilience of our workforce. We believe that investing in our people is essential for sustaining long-term growth and driving continued success.

We are committed to providing a safe, inclusive, and empowering work environment that fosters innovation and supports continuous learning. Through comprehensive training and development programs, we equip our employees with the technical expertise and leadership skills needed to excel and grow individually and strengthen the organisation as a whole.





Our people are at the heart of our business. By cultivating a culture where every individual can thrive and contribute their unique perspective, we ensure operational excellence.

The safety and well-being of our workforce remains a top priority. Our robust occupational safety initiatives create secure working conditions, enhance productivity, and strengthen operational efficiency. By prioritizing both our people and performance, we lay the foundation for continued success and the long-term prosperity of our company.



Shaping The Future Together

At Panama Petrochem Limited, social responsibility is a core pillar of our commitment to sustainable and inclusive growth. Through our Corporate Social Responsibility (CSR) programme, we endeavour to create enduring social value by focusing on critical developmental areas such as healthcare, education, and skill development, thereby strengthening community well-being and helping shape a brighter future.

Our CSR strategy is anchored in a robust framework approved by the Board aiming to support projects that encourage self-reliance and aims to uplift vulnerable sections of the society.





To ensure effective governance and accountability, the Company has constituted a **Board-level CSR Committee** responsible for guiding, reviewing, and monitoring CSR initiatives. The Committee regularly evaluates programme performance, ensures prudent utilisation of resources, and aligns implementation of CSR activities with the Company's values, regulatory requirements, and impact objectives.

Through a focused and responsible approach to CSR, Panama Petrochem Limited remains committed to fostering stronger communities and contributing meaningfully to the sustainable development journey.



Notice

CIN: L23209GJ1982PLC005062

Notice is hereby given that the FORTY-FOURTH ANNUAL GENERAL MEETING of the Members of PANAMA PETROCHEM LIMITED will be held on Monday, August 24, 2026 at 11:30 A.M. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2026 together with the Reports of the Board of Directors & Auditors thereon.
2. To declare Dividend on Equity Shares for the financial year ended March 31, 2026.
3. To appoint a Director in place of Mr. Arif Rayani (DIN: 00245647), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Special Business:

4. Ratification of remuneration payable to Cost Auditors for FY 2026-27:

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

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 2,20,000/- (Rupees Two Lakhs & Twenty Thousand only) plus out-of-pocket expenses payable to GMVP & Associates LLP, who are appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Notes:

1. Ministry of Corporate Affairs ("MCA") vide its Circular No. 3/2025 dated September 22, 2025 (in continuation with the Circulars issued earlier in this regard) ("MCA Circulars") has permitted conducting Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members. In compliance with the applicable provisions of the Companies Act, 2013 ('Act') and the MCA Circulars,

this 44th Annual General Meeting of the Company is being held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and the members shall attend and participate in the AGM through VC/OAVM only.

Since this AGM is being held through VC/OAVM, the deemed venue for the AGM shall be the Registered Office of the Company and the physical attendance of members is dispensed with. Accordingly, the facility for appointment of proxy(ies) is not available for this AGM and hence the proxy form, attendance slip/route map have not been annexed to this Notice

2. In accordance with the circulars issued by MCA and Securities & Exchange Board of India (SEBI), the Notice of the AGM along with the Annual Report for F.Y. 2025-26 is being sent only through electronic mode to those Members whose Email ID's are registered with the Company/ Depositories. The Company shall send physical copy of the Annual Report for F.Y. 2025-2026 only to those members who request the same at cs@panamapetro.com. However, such requests shall be processed only if received from the registered e-mail id of the shareholder mentioning their Folio No./DP ID and Client ID. Members may note that the Notice and Annual Report for F.Y. 2025-2026 will also be available on the Company's website: www.panamapetro.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

Additionally, as per Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') a letter providing the weblink of the Annual Report for F.Y. 2025-26, will be sent to those shareholder(s) who have not registered their e-mail address with the Company/ Depositories/ Depository Participants/RTA.

Procedure for registration of email address by shareholders for receiving notice and Annual Report:

- Those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
 - a) **Members holding shares in physical form** are requested to furnish Form ISR-1 and Form ISR-2 (available on the Company's website) along with the necessary attachments mentioned in the said Forms to the RTA of the Company. This will enable the shareholders to receive electronic copies of the Annual Report for F.Y. 2025-26 including this Notice.

- b) **Members holding shares in demat form** may validate/update their email address and other details with their respective Depository Participants to enable servicing of notices/ documents/ Annual Reports electronically to their email address.
3. Institutional/Corporate Shareholders (i.e. other than Individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting facility. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cs@panamapetro.com.
 4. An Explanatory Statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the Meeting is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of a Director seeking appointment/re-appointment at this AGM are also annexed herewith.
 5. The Company has fixed Monday, August 17, 2026 as the 'Record Date' for determining entitlement of Members to claim dividend for the financial year ended March 31, 2026, if declared at the AGM. Payment of the dividend as recommended by the Board of Directors, if declared by the members at the ensuing Annual General Meeting will be payable to those Shareholders holding shares in electronic form as per the beneficiary position downloaded from the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) as at the close of business hours on Monday, August 17, 2026 and to those Members holding shares in physical form, after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as at close of business hours i.e. Monday, August 17, 2026. Dividend will be paid within two weeks from the date of declaration of dividend.
 6. Pursuant to relevant SEBI Circulars, dividend to the security holders, holding shares in physical form shall be paid in electronic mode only upon the folio being KYC Compliant. A folio will be considered as KYC compliant on registration of all details viz. full address with pin code, mobile no., e-mail address, bank details, valid PAN linked to Aadhaar of all holders in the folio, specimen signature, nomination, etc.
 7. Members are requested to register/update the relevant changes, if any, pertaining to their name, postal address, e-mail 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.:
 - a. **For shares held in electronic form:** to their Depository Participants (DPs)
 - b. **For shares held in physical form:** to the Company/ Registrar and Transfer Agent pursuant to the relevant

SEBI Circulars, in the prescribed **ISR Forms**. The said forms have been made available on the website of the Company.

8. In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or to the Company's Share Registrar and Transfer Agents (M/s Bigshare Services Pvt. Limited), for assistance in this regard.

Special Window for lodgment of physical share transfer requests:

A special window, as per mandate of SEBI, is available till February 4, 2027, to facilitate lodgement of transfer requests executed before April 1, 2019 but were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents. Eligible shareholders are requested to submit the requisite documents before February 4, 2027 to Company/RTA. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock-in, during which they cannot be transferred, lien-marked, or pledged. [SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026]

9. Dematerialization of shares

SEBI has mandated the listed companies to issue securities in demat form only, while processing any service request viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition, subject to folio being KYC compliant. Accordingly, Members are requested to submit duly filled and signed Form ISR-4.

With effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing service requests.

Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid documents including demat account details along with the latest Client Master List. [SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I /4298/2026 dated February 6, 2026].

10. All documents referred to in the Notice as required under the Act will also be available electronically for inspection. Members seeking to inspect such documents can send an e-mail from their registered e-mail id to cs@panamapetro.com up to the conclusion of this Meeting.

11. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company at least one week before the meeting, from their registered email id mentioning their Name, DPID and Client ID or Folio No. to cs@panamapetro.com. The same will be replied by the Company suitably.

12. For the prescribed TDS rates for various categories, please refer to the Income Tax Act, 2025 and the Finance Acts of the respective years. The shareholders are requested to update their PAN with the DPs (if shares held in dematerialized form) and the Company/RTA (if shares held in physical form).

To avail exemption of TDS for F.Y. 2025-2026, Members are requested to submit the tax exemption documents electronically on or before August 10, 2026 by e-mail to tds@bigshareonline.com.

Category of Shareholder	Document(s) to be submitted
Resident individual shareholders with PAN* and whose income does not exceed maximum amount not chargeable to tax or who is not liable to pay income tax	Form 121 (erstwhile Form 15G or Form 15H)
Non-resident shareholders [including Foreign Portfolio Investors (FPIs)] who can avail beneficial rates under tax treaty between India and their country of tax residence	- No Permanent Establishment Declaration - Beneficial Ownership Declaration - Tax Residency Certificate - Copy of electronically filed Form 41 (erstwhile Form 10F) - Any other document which may be required

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

Members are requested to submit the latest Forms to avail exemption of TDS. The erstwhile Forms shall not be accepted for this purpose

13. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from such Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be requested only to the Depository Participant of the Members.

14. The facility for making nomination is available for the Members in respect of the shares held by them. Members

holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting **Form No. SH-13**. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in **Form ISR-3** or **SH-14** as the case may be. The said forms can be downloaded from the Company's website: www.panamapetro.com. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Bigshare Services Pvt. Limited in case the shares are held in physical form via e-mail at investor@bigshareonline.com

15. SEBI has established a common Online Dispute Resolution Portal ['ODR Portal'] for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote at the AGM.

17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company, without any delay. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web **Form No. IEPF-5** available on www.iepf.gov.in.

18. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations, (as amended), and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 the Company is providing the facility of e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

19. The remote e-voting **period commences on Friday, August 21, 2026 at 9:00 A.M. and ends on Sunday, August 23, 2026 at 5:00 P.M.**, both days inclusive. The remote e-voting facility shall not be allowed beyond 5:00 P.M., on **August 23, 2026**. During this period the members of the Company, holding shares either in physical form or in dematerialized

form, as on the cut-off date/entitlement date, may cast their vote electronically. Provided that once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

20. The Company has fixed, **Monday, August 17, 2026**, as the cut-off date for identifying the shareholders for determining the eligibility to vote by electronic means. Instructions for exercising voting rights by e-voting are attached herewith and form part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/entitlement date only shall be entitled to avail the facility of Remote e-voting as well as e-voting at the Annual General Meeting.
21. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of the shareholders on Monday, August 17, 2026 the cut-off date/entitlement date for identifying the shareholders for determining the eligibility to vote by remote e-voting or e-voting at the AGM.
22. Mr. Milind Nirkhe, Company Secretary in Whole Time Practice, [CP No.2312] has been appointed as a Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
23. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.panamapetro.com and on the website of CDSL at www.evotingindia.com, immediately after the results are declared by the Chairman.
24. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
25. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereunder in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

who are allowed to attend the AGM without restriction on account of first come first serve basis.

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

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The e-voting period commences on Friday, August 21, 2026 at 9:00 A.M. and ends on Sunday, August 23, 2026 at 5:00 P.M., both days inclusive. The remote e-voting facility shall not be allowed beyond 5:00 P.M., on August 23, 2026 and the e-voting module shall be disabled by CDSL for voting thereafter. During the period when the facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, August 17, 2026 (cut-off) may cast their vote electronically.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the time of the meeting.
- (iii) In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Pursuant to the above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL's Easi/Easiest facility, can login through their existing User Id and Password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL Website www.cdslindia.com and click on Login icon and select New System Myeasi Tab. 2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at www.cdslindia.com and click on Login icon and select New System Myeasi Tab and then click the registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and will also be able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on the Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period, or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
---	--

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 180021099111
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4867000 and 022-24997000

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

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

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

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN of Panama Petrochem Limited to vote.
- x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to the scrutinizer for verification.
- xvii) **Additional Facility for Non-Individual Shareholders and Custodians- For Remote Voting Only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@panamapetro.com, if they have voted from individual tab & not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same

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

1. The procedure for attending the meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote again at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at cs@panamapetro.com from **August 03, 2026 (9:00 a.m. IST) to August 12, 2026 (5:00 p.m. IST).**

8. The shareholders who do not wish to speak during the AGM but have queries may send their queries 7 days prior to the meeting mentioning their name, demat account number/ folio number, email id, mobile number at cs@panamapetro.com. These queries will be replied to by the Company suitably via email.
9. Those shareholders who have registered themselves as a speaker, only they will be allowed to express their views/ ask questions during the meeting.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM upto the expiry of 15 minutes from the conclusion of the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to those shareholders attending the meeting.
12. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of the AGM and is holding shares as on the cut-off date i.e. **Monday, August 17, 2026** should follow the same procedure as mentioned above for e-Voting and for attending the AGM.

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

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

If you have any queries or issues regarding attending of AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 18002109911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 18002109911.

By Order of the Board of Directors

For **Panama Petrochem Limited**

Gayatri Sharma

Company Secretary & Compliance Officer

Date: May 29, 2026

Place: Mumbai

Registered Office:

Plot No. 3303, G.I.D.C. Estate

Ankleshwar - 393 002, Gujarat



EXPLANATORY STATEMENT

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of GMVP & Associates LLP, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027 on remuneration of ₹ 2,20,000/- (Rupees Two Lakhs & Twenty Thousand only) plus out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out at Item No. 4 of the Notice

The Board recommends this Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

By Order of the Board of Directors
For **Panama Petrochem Limited**

Date: May 29, 2026
Place: Mumbai

Gayatri Sharma
Company Secretary & Compliance Officer

Registered Office:

Plot No. 3303, G.I.D.C. Estate
Ankleshwar - 393 002, Gujarat

Details of Directors seeking re-appointment at the AGM

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings]

Name of Director	Mr. Arif Rayani
DIN	00245647
Date of Birth	07.02.1971 (55 years)
Designation and Category of Director	Chairman Executive Director
Initial Date of Appointment	01.08.2023
Experience (including expertise in specific functional area)/Brief Resume	Mr. Arif Rayani has been overseeing the critical aspects of marketing and production within the company. With a remarkable tenure spanning since 1998, he has played a pivotal role in the company's growth and success, contributing significantly to its current achievements. With extensive experience and expertise in sales, marketing and production, Mr. Arif Rayani has been instrumental in developing and executing effective marketing strategies, driving brand recognition, and expanding the company's market reach.
Qualification	Matriculate
Disclosure of relationship between Directors/KMP	Mr. Arif Rayani is directly related to Mr. Amirali Rayani (Whole-Time Director)
Directorship held in other Companies (excluding foreign companies)	1. Anirudh Distributors Private Limited. 2. H.A. Constructions Private Limited. 3. Dunhill Development Private Limited.
Directorship/Membership of the Committee Board of other Listed Companies (including Listed Companies from which the Director has resigned in the past 3 years)	Nil
No. of shares held in the Company as on March 31, 2026	36,70,567
No. of Board Meetings attended during the year	4 out of 4
Details of remuneration last drawn	₹ 5.11 Cr.
Terms and conditions of re-appointment	As per the resolution passed by the shareholders of the Company at the 41 st AGM held on August 29, 2023.

Directors' Report

Dear Members,

Your Directors have the pleasure in presenting the FORTY FOURTH (44th) Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

(₹ in Cr)

Name of the company	Standalone		Consolidated	
	Financial Year 2025-26	Financial Year 2024-25	Financial Year 2025-26	Financial Year 2024-25
Revenue from operations	1,961.81	1,775.72	3,064.26	2,792.89
Other income	13.12	11.94	12.74	12.28
Total income	1,974.93	1,787.66	3,077.00	2,805.17
Expenses				
Operating expenditure	1,764.76	1,607.28	2,788.71	2,546.26
Depreciation and amortization expense	8.55	7.96	13.79	12.37
Total expenses	1,773.31	1,615.24	2,802.50	2,558.63
Profit before finance costs, exceptional item and tax	201.62	172.42	274.50	246.54
Finance costs	8.30	14.48	11.96	18.16
Profit before exceptional item and tax	193.32	157.94	262.54	228.38
Exceptional item	-	-	-	-
Provision towards legal claim	-	-	-	-
Profit before tax	193.32	157.94	262.54	228.38
Tax expense	50.04	41.35	50.04	41.35
Profit for the year	143.28	116.59	212.50	187.03
Opening balance of retained earnings	821.32	741.03	1,106.55	962.66
Closing balance of retained earnings	946.45	821.32	1,298.01	1,106.55

OPERATIONAL PERFORMANCE

- Earnings before Interest, Depreciation, and Tax & Amortization (EBITDA) on a standalone basis for F.Y. 2025-26 was ₹ 210.17 Crore, which has resulted in an increase of 16.52 % in comparison with the previous year's EBITDA.
- The Net profit after tax for F.Y.2025-26 was ₹ 143.28 Crore, as against ₹116.59 Crore in the previous year, resulting in 22.89 % increase.
- The Company's standalone revenue from operations for F.Y. 2025-26 was ₹ 1961.81 Crore which is an increase of 10.48% over the previous year's revenue.
- Additionally, the consolidated revenue from operations of the Company for the year ended March 31, 2026 was ₹ 3064.26 Crore which has increased by 9.72% on a Year on Year basis.
- Net Profit of the Company on a consolidated basis was ₹ 212.50 Crore which has increased by 13.62% as that of the previous year.
- EPS on standalone basis is ₹ 23.69 as against ₹ 19.27 in the previous year.
- Furthermore, EPS on consolidated basis increased to ₹ 35.13 from ₹ 30.92

DIVIDEND

The Board of Directors at its meeting held on May 29, 2026, recommended payment of ₹ 3/- (150%) per equity share of the face value of ₹ 2/- each as the dividend for the financial year ended March 31, 2026. Payment of the dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company.

The dividend payout ratio of the Company for the year under review is 12.66%. The total outflow towards dividend on Equity Shares for the year would be ₹ 18.15 Crore

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Board of Directors of the Company has in place a Dividend Distribution Policy which aims to maintain a balance between profit retention and a fair, sustainable and consistent distribution of profits among its Members. The said Policy is available on the website of the Company:

<http://panamapetro.com/wp-content/uploads/2021/08/ddp-web.pdf>

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the General Reserve out of the amount available for appropriations.

CREDIT RATING

There has been no change in the credit rating, and the same is also disclosed in the Corporate Governance report, forming part of this Annual Report.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2026 was ₹ 12.10 Crore. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. There has been no change in the nature of business of the Company.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As on March 31, 2026 your Company has only one subsidiary, **Panol Industries RMC FZE, UAE** which is registered outside India.

The Consolidated Financial Statements of the Company and its subsidiary are prepared in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS').

The Consolidated Financial Statements of the Company and its subsidiary, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the Listing Regulations.

The Policy, as approved by the Board, is uploaded on the Company's website:

<http://panamapetro.com/wp-content/uploads/2015/12/msp.pdf>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 ('Act') are given in the notes to the accompanying Financial Statements.

PERFORMANCE AND FINANCIAL POSITION OF PANOL INDUSTRIES RMC FZE

Panol Industries RMC FZE, is a wholly owned subsidiary of the Company. The subsidiary operates a manufacturing facility in Ras Al Khaimah, UAE, dedicated to the manufacturing of petroleum specialty products. The facility strategically serves the growing demand across the GCC and MENA regions, strengthening the Company's international presence and market reach.

There has been no material change in the nature of the business of the subsidiary. There are no associates or joint venture companies within the meaning of Section 2(6) of the Act.

The plant enjoys a significant logistical advantage owing to its strategic location on the port. This enables seamless access to maritime transportation and facilitates efficient movement of both raw materials and finished products. The facility is equipped with dedicated pipelines that directly connect to the port infrastructure, allowing for the receipt of raw materials and dispatch of finished products directly to and from bulk vessels. This integrated logistics setup minimizes handling requirements, reduces transportation costs, enhances operational efficiency, and ensures timely delivery to customers. The advantageous location further strengthens the Company's supply chain capabilities and supports its ability to efficiently cater to domestic as well as international markets.

Net sales of Panol Industries RMC FZE have increased from ₹ 1017.17 Crore in the previous year to ₹ 1102.45 Crore during FY 2025-26. Net profit during the period has decreased by 1.75% to ₹ 69.21 Crore, as compared to a net profit of ₹ 70.44 Crore in the previous year.

During the year under review, Panol Industries RMC FZE, has transferred ₹ 2.89 Crore in General Reserve out of retained earnings.

During the financial year under review, no Company has become or ceased to be a subsidiary of the Company. The Company does not have any associate or joint venture companies within the meaning of Section 2(6) of the Act. A statement containing the salient features of the financial position of the subsidiary company is detailed in Form AOC-1, annexed as Annexure A.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations.

No material Related Party Transactions were entered during the financial year by the Company. Accordingly, the disclosure of Related Party Transactions, as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company and hence not provided.

There are no persons or entities belonging to the promoter/promoter group, holding 10% or more shareholding in the Company, hence disclosure of transactions entered into with any such persons/entities is not applicable to the Company.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are planned/repetitive in nature. Related Party Transactions entered into pursuant to omnibus approval so granted are placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Details of the transactions with Related Parties are provided in the accompanying financial statements.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link:

<https://panamapetro.com/uploads/documents/1770980469-1.pdf>

RISK MANAGEMENT

Risks are uncertain events that materially impact the achievement of organizational objectives. Being inherent to all business operations and activities, such risks require prudent evaluation alongside anticipated returns. Effective risk management is therefore fundamental to the attainment of the Company's strategic objectives and for sustained long-term growth of the business.

With this in mind and in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations, your Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity, security, regulatory, legal, and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns/risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. The Audit Committee has additional oversight in the area of financial risks and controls.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations.

DIRECTORS & KMP

As on March 31, 2026 the Board of Directors of the Company comprised of Eight (8) Directors with an optimum balance of Executive and Non-Executive Directors, Four (4) of whom were Non-Executive, Independent Directors including One (1) Woman Independent Director.

During the year under review Mr. Amirali Rayani resigned from the position of Chairman of the Company with effect from July 31, 2025, consequently, Mr. Arif Rayani was re-designated as the Chairman of the Company effective August 01, 2025.

Members at the 43rd Annual General Meeting of the Company held on September 09, 2025, approved the re-appointment of Mr. Hussein Rayani as the Joint Managing Director of the Company for a period of 5 consecutive years with effect from October 31, 2025.

The Company has received necessary disclosures under Section 164(2) and Section 184(1) of the Act from its Directors. Additionally, the Independent Directors of the Company have submitted declarations confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and the Act and are independent of the Management of the Company.

In the opinion of the Board, all the Independent Directors are persons possessing attributes of integrity, expertise and experience (including proficiency) as required under the applicable laws, rules and regulations.

The Company has issued letters of appointment/ reappointment to Independent Directors in the manner as provided in the Act. The terms and conditions of the said appointment are hosted on website of the Company.

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite qualifications, experience and expertise in the fields of science and technology, human resources, strategy, auditing, corporate governance, etc.

The Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

During the year under review, none of the non-executive directors of the Company had any pecuniary relationship or transactions with the Company.

DIRECTOR LIABLE TO RETIRE BY ROTATION:

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Arif Rayani (DIN: 00245647), Director retires by rotation and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting.

Brief profile of the director seeking re-appointment has been given in the Notice convening this Annual General Meeting along with the relevant resolution recommended for the members for their approval thereupon.

APPOINTMENTS/RESIGNATIONS OF THE KEY MANAGERIAL PERSONNEL

No Key Managerial Personnel of the Company has resigned or has been appointed during the Financial Year 2025-26.

BOARD AND COMMITTEE MEETINGS

Your Company's Board of Directors met four times during the financial year under review. A calendar of Meetings is prepared and circulated in advance to your Directors.

The Audit Committee of the Company as constituted by the Board is headed by Mr. Ashok Mukhi with Mr. Samir Rayani and Mr. Kumar Raju Nandimandalam as Members.

There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

Details of the composition of the Board, its Committees and the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTOR:

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the resume of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Act and Regulation 16(1)(b) of the Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of

the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

GOVERNANCE GUIDELINES

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines encompass aspects relating to composition and role of the Board, Chairman and Directors, Board Diversity, Definition of Independence, Term of Directors, and Committees of the Board. It also covers aspects relating to Nomination, Appointment, Induction and Development of Directors, Director's Remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

BOARD EVALUATION:

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia structure of the Board, qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including its regularity and frequency, discussion and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, functioning and quality of relationship between the Board and management.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting of the strategic agenda of the Board, encouraging active engagement by all Board members, motivating and providing guidance to the Managing Director & CEO.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board at regular intervals.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Pursuant to the provisions of Regulation 25(7) of the Listing Regulations read with Schedule IV of the Act, the Company has in place a Familiarization Program for its Independent Directors to acquaint them with the Company, their roles and responsibilities, the business model, operational aspects and governance framework of the Company. Through this program, the Independent Directors are provided with relevant information and insights to enable them to gain a comprehensive understanding of the Company's business and to contribute effectively to the Board and its Committees.

The details of the training and familiarization program are provided in the Corporate governance report.

REMUNERATION POLICY

Your Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management, pursuant to the provisions of the Act and the Listing Regulations.

The philosophy for remuneration of Directors, Key Managerial Personnel of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The remuneration policy can be accessed at: <http://panamapetro.com/wp-content/uploads/2015/12/Nomination-and-Remuneration-policy.pdf>

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors,

Key Managerial Personnel and Senior Management to perform in a manner of the quality required to run the Company successfully;

- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Details of the Remuneration Policy are given in the Corporate Governance Report.

LISTING OF SHARES

Your Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited. The Company has paid the listing fees for the financial year 2025-2026.

CORPORATE GOVERNANCE

Your Company has implemented all the mandatory requirements pursuant to Listing Regulations. A separate report on Corporate Governance is given as a part of the Annual Report along with the certificate received from the Practicing Company Secretary, M/s. Milind Nirkhe & Associates, Company Secretaries, confirming the compliance.

PUBLIC DEPOSITS

During the year under review, your Company did not accept any deposits from the public.

INSURANCE

Your Company has taken adequate insurance cover for all its assets.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with reference to financial statements. Your Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

The Audit Committee has satisfied itself on the adequacy and effectiveness of the internal financial control systems laid down by the management. The Statutory Auditors have confirmed the adequacy of the internal financial control systems over financial reporting.

CORPORATE SOCIAL RESPONSIBILITY

As an integral part of our commitment to good corporate citizenship, your Company strongly believes in adopting steps to improve the quality of life of the people in the communities around us.

Guided by the belief that society is not merely a stakeholder but an integral part of its business purpose, the Company remains committed, across all its operations, to contributing towards long-term stakeholder value creation.

With the expansion of its activities, the Company has retained a sustained focus on key areas of corporate sustainability impacting people, the environment, and society at large.

The Company has adopted a Corporate Social Responsibility (CSR) Policy in compliance with the provisions of the Act. As part of its CSR initiatives, the Company has undertaken projects in the areas of promoting health care and education.

The above projects are in accordance with Schedule VII of the Act. The Company has spent ₹ 3.79 Cr. towards the CSR projects during the current Financial Year 2025-26.

The CSR expenditure was primarily directed towards projects in the areas of healthcare and education, reflecting the Company's commitment to improving community well-being, enhancing access to quality healthcare services, and supporting educational development. Through these initiatives, the Company continues to contribute towards sustainable social development and inclusive growth in the communities in which it operates.

A brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure B of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this Annual Report.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under.

With the objective of ensuring a safe working environment, where employees feel secure, the said Policy aims to provide protection to all its employees at the workplace and redress complaints of sexual harassment and for matters connected or incidental thereto. The Company has also constituted an Internal Complaints Committee, to deal with the complaints of sexual harassment and recommend appropriate action there upon.

The Company has not received any complaint of sexual harassment during the financial year 2025-26.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Act, the amounts of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account of the Company, are required to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Consequently, no claim shall lie against the Company in respect of any such amounts.

The amount of unpaid/unclaimed dividend up to the financial year 2017-2018 has been transferred to IEPF. Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2019 and for any subsequent financial years, are requested to make their claims to the Company without any delay, to avoid transfer of their dividend/ shares to the Fund/IEPF Demat Account.

Members are also requested to note that, pursuant to the provisions of Section 124 of the Act and the IEPF Rules, the Company is obliged to transfer all shares on which dividend has not been paid or claimed for seven consecutive years or more to an IEPF Demat Account.

Members/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors, employees and other stakeholders of the Company, to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

COMPLIANCE WITH MATERNITY BENEFITS ACT, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, including all applicable obligations relating to maternity benefits for eligible employees.

PROCEEDINGS UNDER THE INSOLVENCY & BANKRUPTCY CODE 2016

During the period under review no proceedings are initiated/ pending against the Company under the Insolvency & Bankruptcy Code, 2016.

CYBER SECURITY

During the financial year under review, no security breaches or incidents have occurred in the organization. A comprehensive security risk assessment is carried out at regular intervals and adequate security measures are effectively implemented to cater to changing security scenario. The Company has implemented adequate IT security measures and processes to protect its projects, personnel, information and assets.

VALUATION FOR ONE TIME SETTLEMENT

During the financial year 2025-26, there have been no instances of one time settlement with any bank or financial institution.

AUDITORS

• STATUTORY AUDITORS

Pursuant to Sections 139 & 142 of the Act, and the Rules made thereunder, JMR & Associates LLP, Chartered Accountants, (Registration No.106912W/W100300) Mumbai, have been re-appointed as Statutory Auditors of the Company to hold office for a second term of 5 (Five) consecutive years at the 43rd Annual General Meeting (AGM) held in 2025 until the conclusion of the Annual General Meeting to be held in the year 2030.

The Notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Auditors' Report for the financial year ended March 31, 2026 on the financial statements of the Company is a part of this Annual Report.

• COST AUDITORS

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, and accordingly such accounts and records are made and maintained in the prescribed manner.

Based on the Audit Committee recommendation at its meeting held on May 29, 2026, GMVP & Associates LLP (LLPIN:- AAG-7360) has been appointed by the Board as the Cost Auditors of the Company for conducting an audit of the cost accounting records of the Company for the financial year commencing from April 01, 2026 to March 31, 2027.

The requisite resolution for ratification of remuneration payable to the Cost Auditor, by the members of the Company is set out in the Notice of the ensuing AGM.

A Certificate from GMVP & Associates LLP, has been received, confirming that they are free from the disqualifications, as specified in the provisions of Section 141 of the Act and Rules framed thereunder.

Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Members are requested to consider the ratification of the remuneration payable to GMVP & Associates LLP.

• SECRETARIAL AUDITOR

Pursuant to the provisions of Regulation 24A and other applicable provisions of the Listing Regulations, read with Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Milind Nirkhe & Associates, a proprietorship firm (Firm Registration No. S1992MH790200), was appointed as the Secretarial Auditor of the Company, at the 43rd Annual General Meeting of the Company for a term of five (5) consecutive financial years, commencing from F.Y. 2025-26 up to F.Y. 2029-30.

Further, the Secretarial Audit Report issued by M/s Milind Nirkhe & Associates, Company Secretaries for F.Y. 2025-2026 is annexed as Annexure C to this Report. The Secretarial Audit Report for the financial year ended March 31, 2026 does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL STANDARDS OF ICSI

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported to the Audit Committee, any instances of frauds committed in the Company, by any of its Officers or Employees, under Section 143(12) of the Act.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

The Company is aware of energy consumption and environmental issues related to it and is consistently making sincere efforts towards conservation of energy. The Company is in fact engaged in the continuous process of further energy conservation through improved operational and maintenance practices.

The Company has taken adequate actions to conserve the energy by introducing technically improved blending system resulting in reduction of process time.

(i) Steps Taken or Impact on Conservation of Energy:

Aligned with the Company's dedication to energy conservation, all plants continue to focus on enhancing energy efficiency through innovative measures, minimizing wastage, and optimizing consumption. Below are some initiatives undertaken by the Company in this regard:

1. The Company has enhanced its conventional mixing technology, leading to significant energy savings.
2. Automation upgrades in the Company's processes have resulted in considerable energy conservation in comparison to previous practices.
3. Installation of solar power systems has contributed significantly to reducing overall energy consumption.
4. Various measures have been implemented at the Company's plants to optimize energy usage.
5. Deployment of energy-efficient motors and solar installations aims to maximize power utilization while reducing environmental impact.

(ii) Steps taken by the Company for utilizing alternate sources of Energy:

In addition to various initiatives around energy efficiencies, the Company is also focused on renewable sources of energy. Various steps have been taken for utilizing alternate sources of energy.

(iii) Capital Investment on Energy Conservation Equipment:

During the year, the Company has invested in various energy conservation equipment, which included, various energy efficient electric motors. The Company has also installed power efficient material handling and flowing system which has played a major role in energy saving. The Company has also improved its thermo packs to get better fuel efficiency and lower emission stack.

B. Technology Absorption:**(i) Efforts made towards Technology Absorption:**

Technology serves as a pivotal enabler and core facilitator, representing one of the strategic pillars of the Company. From the outset, your Company has remained at the forefront of harnessing technology to enhance the quality of the products and services offered to our customers.

Our Ankleshwar Plant hosts a state-of-the-art R&D Centre, playing a pivotal role in numerous breakthroughs in product development. This facility boasts modern testing and analytical equipment and is staffed by a team of highly qualified technocrats. Our robust R&D capabilities, has empowered us to

develop new products of superior quality and also assist in research for import substitution, energy conservation and control of pollution.

Furthermore, our commitment to R&D extends towards endeavors such as research for import substitution, energy conservation, and pollution control. Our technical center has successfully engineered a range of innovative products adhering to international quality standards, designed to minimize environmental impact.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Technology has played a major role in ensuring high level of service delivery and has been a true strategic partner. The Company has derived many benefits from R&D and technology absorption which includes product development, product improvement & effective cost management.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- the details of technology imported:** The Company has not imported any technology during the last three financial years.
- the year of import:** Not Applicable
- whether the technology has been fully absorbed:** Not Applicable
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable

Expenditure on research & development

The expenditure on R&D activities incurred during the year is given hereunder:

Particulars	(₹ in Cr.)
Capital	0.00
Revenue	0.00
Total R&D Expenditure	0.00
Total Turnover	1961.81
Total R&D Expenditure as a	0.00
Percentage of total turnover	

C. Foreign exchange earnings and outgo:

- Export Activities:** During the year under review the Company has made Imports/Exports as given in (ii) below.

ii. Foreign Exchange Earnings and Outgo:

	(₹ in Cr.)
Total Foreign Exchange Inflow	700.24
Total Foreign Exchange Outflow	1265.64

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure D, forming part of this Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026 is available on the Company's website at <http://panamapetro.com/annual-return/>

AUDITORS' REPORT

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

MANAGEMENT DISCUSSION & ANALYSIS REPORT, BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT AND CORPORATE GOVERNANCE REPORT

The Management Discussion and Analysis Report, the Business Responsibility & Sustainability Report and the Report on Corporate Governance, as required under the Listing Regulations, form part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) and 134(5) of the Act, and to the best of their knowledge and belief and according to the information and explanations obtained by them and same as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- (i) in the preparation of the annual accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed and that there are no material departures;

- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company for the financial year ended March 31, 2026 and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

We thank our Clients, Investors, Dealers, Suppliers and Bankers for their continued support during the year. We place on record our appreciation for the contributions made by employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

By Order of the Board of Directors
For **Panama Petrochem Limited**

Arif A. Rayani
Chairman
DIN:00245647

Date: May 29, 2026
Place: Mumbai

ANNEXURE A TO THE DIRECTORS' REPORT

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries

		(₹ in CR)
1	Name of subsidiary	Panol Industries RMC FZE, UAE
2	The Date since when subsidiary was acquired	01-01-2013
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	No
4	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	AED (AED 1 = 25.6748 INR)
5	Share Capital	51.86
6	Reserves & Surplus	415.52
7	Total Assets	561.02
8	Total liabilities	93.65
9	Investments	15.25
10	Turnover	1102.45
11	Profit before taxation	69.21
12	Provision for taxation	00.00
13	Profit after taxation	69.21
14	Proposed Dividend	00.00
15	% of shareholding	100%

1. Name of Subsidiaries which are yet to commence operations: Nil
2. Names of Subsidiaries which have been liquidated or sold during the year: Nil

Part B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on March 31, 2026.

By Order of the Board of Directors
For **Panama Petrochem Limited**

Arif Rayani

Chairman
DIN: 00245647
Date: May 29, 2026
Place: Mumbai

Samir Rayani

Managing Director & CEO
DIN: 00002674
Date: May 29, 2026
Place: Mumbai

Pramod Maheshwari

CFO
Date: May 29, 2026
Place: Mumbai

Gayatri Sharma

Company Secretary & Compliance Officer
Date: May 29, 2026
Place: Mumbai

ANNEXURE B TO THE DIRECTORS' REPORT

Annual Report on CSR Activities

1. A brief outline on Corporate Social Responsibility (CSR) Policy of the Company: The focus areas of the CSR Policy of the Company are as follows:

The CSR Policy of the Company encompasses its philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013. By applying its resources towards communities that need it the most, the Company ensures equitable access. The Company's CSR strategy incorporates an inclusive approach into the design of every program.

2. Composition of CSR Committee as on March 31, 2026:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Almas Nanda (Chairperson)	Independent Non-Executive Director	2	2
2	Mr. Arvind Shah	Independent Non-Executive Director	2	2
3	Mr. Arif Rayani	Whole-Time Director (Executive)	2	2

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

- Composition of CSR committee: <https://panamapetro.com/director.php>
- CSR Policy: <https://panamapetro.com/uploads/documents/1732855460-1.pdf>
- CSR Projects approved by the Board:
<https://panamapetro.com/uploads/documents/1780055015-1.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not applicable**

5. (a) Average net profit of the Company as per Section 135(5): ₹ **192.32**
- (b) Two percent of average net profit of the Company as per section 135(5): ₹ **3.85**
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
- (d) Amount required to be set off for the financial year, if any: ₹ **0.06**
- (e) Total CSR obligation for the financial year (b+c-d): ₹ **3.79**
6. (a) Amount Spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **3.79**
- (b) Amount spent in Administrative Overheads: **Nil**
- (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (d) Total amount spent for the Financial Year (a+b+c): ₹ **3.79**
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ Cr.)	Amount Unspent				
	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
3.79	NIL	-	-	NIL	-

(f) Details of CSR Amount Spent against Ongoing Projects for the financial year: **Nil**

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

Sr. No.	Particulars	Amount (₹ in Cr.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	3.85
(ii)	Total amount spent for the Financial Year (including the excess amount of 0.06 Cr. spent in F.Y 24-25)	3.85
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

7. Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

8. No capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2025-2026.

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**

Date: May 29, 2026
Place: Mumbai

Samir A. Rayani
Managing Director & CEO
DIN: 00002674

Almas Nanda
Chairperson - CSR Committee
DIN: 05329210

ANNEXURE C TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2026.

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

To,
The Members,
PANAMA PETROCHEM LIMITED

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PANAMA PETROCHEM LIMITED** ("the Company") for the financial year ended March 31, 2026 ('Audit Period'), according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not applicable to the Company for the audit period;**
- d. The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021: **Not applicable to the Company for the audit period;**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not applicable to the Company for the audit period;**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable to the Company for the audit period.**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not applicable to the Company for the audit period;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not applicable to the Company for the audit period.**
- (vi) Other laws specifically applicable to the Company namely:
 - The Petroleum Act, 1934
 - Lubricating Oils & Greases (Processing, Supply, & distribution Regulation) Orders, 1987
 - Drugs & Cosmetics Act, 1940
 - Water (Prevention and Control of Pollution) Act, 1974
 - Air (Prevention and Control of Pollution) Act, 1981
 - Industries (Development & Regulations) Act, 1951
 - Hazardous Waste (Management, Handling & Trans-boundary Movement) Rule-2008

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligation & Disclosure Requirements), Regulation 2015 entered into by the Company with Stock Exchanges

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

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

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

Decisions at the Board Meetings were taken unanimously.

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

I further report that during the audit period of the Company there are no events having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

CS. MILIND NIRKHE

FCS No: 4156

C P No.: 2312

Firm Unique Code No.: S1992MH790200

Peer Review Certificate No.: 7759/2026

UDIN NO: F004156H000529714

Date: May 29, 2026

Place: Mumbai



'Annexure A'

To,
The Members,
PANAMA PETROCHEM LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

CS. MILIND NIRKHE

FCS No: 4156

C P No.: 2312

Firm Unique Code No.: S1992MH790200

Peer Review Certificate No.: 7759/2026

UDIN NO: F004156H000529714

Date: May 29, 2026

Place: Mumbai

ANNEXURE D TO THE DIRECTORS' REPORT

[Pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- Ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 2025-26 as well as the percentage increase in remuneration of each Director, is as under:

Directors	Ratio to Median	Percentage Increase/Decrease in Remuneration
Mr. Amirali Rayani	150.61	47.62%
Mr. Arif Rayani	155.01	53.30%
Mr. Hussein Rayani	140.97	39.41%

Managing Director & CEO	Ratio to Median	Percentage Increase/Decrease in Remuneration
Mr. Samir Rayani	152.04	49.82%

The percentage increase in remuneration of the Chief Financial Officer is 10% and of the Company Secretary is 10%

- The percentage increase in the median remuneration of employees in the financial year: 10%
- The number of permanent employees on the rolls of Company: 191
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year 2025-26 was 10%.
- Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management, adopted by the Company.

Disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

The following details are given in respect of top ten employees in terms of remuneration

Name & age (years), designation, remuneration (₹ in Crore), qualification & experience (Years), date of commencement of employment, last employment held (Name of employer, post held)

- Mr. Arif Rayani (55), Chairman, ₹ 5.11 Crore, Matriculate (28), 01.08.2023, None
- Mr. Samir Rayani (51), Managing Director & CEO, ₹ 5.01 Crore, B.E-Chemical. (29) 01.12.2000, None.
- Mr. Hussein Rayani (48), Joint Managing Director, ₹ 4.64 Crore, Masters Degree in Chemical Engineering (27), 01.04.2004, None
- Mr. Amirali Rayani (82), Whole-Time Director, ₹ 4.96 Crore, SSC. (54), 09.03.1982, None.
- Mr. Pramod Maheshwari (49), Chief Financial Officer, ₹ 0.68 Crore, B.Com., CA, (26), 19.04.2010, Unimark Remedies Limited-General Manager.
- Ms. Gayatri Sharma (41), Company Secretary & Compliance Officer, ₹ 0.51 Crore, B.Com, CS, L.L.B. (18), 08.12.2010, Pinkcity Buildhome Pvt. Limited - Company Secretary.
- Mr. Pradip kumar Nikam (64), President-Technical, ₹ 0.37 Crore, BE Electrical, (42), 20.01.1982, Kankariya Chemicals.

8. Mr. Amin A Rayani (54), Corporate Planning Executive, ₹ 0.26 Crore, B.COM, (29), 01.12.2000, None.
9. Mr. Mayur Jagdish Parikh (47) Regional Sales Manager, ₹0.32 Crore, B.Sc (chemistry), DBM (25.5), 01.08.2013, GP Petroleum Limited- Senior Marketing Manager.
10. Mr. Sushil Kumar Shah (75) General Manager ₹ 0.24 Crore, Under Graduate, (25) 01.01.2010, None

Notes:

1. The nature of employment is contractual for all the above employees.
2. None of the employees of the Company are directly related to any Directors of the Company except Mr. Arif A. Rayani - Chairman of the Company, Mr. Amirali Rayani- Whole-Time Director and Mr. Amin Rayani- Corporate Planning-Executive.
3. Name of the employees employed throughout the year who were in receipt of remuneration of not less than ₹ 1 crore and 2 Lakhs for the year: Mr. Amirali Rayani, Mr. Samir Rayani, Mr. Arif Rayani and Mr. Hussein Rayani (The required details of these employees are provided in the above mentioned disclosure)
4. Name of the employees employed for the part of the year were in receipt of remuneration of not less than ₹ 8.50 Lakhs per month: Nil
5. The percentage of equity shares held by the employee in the Company within the meaning of Clause (iii) of sub rule (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 - Nil

By Order of the Board of Directors
For **Panama Petrochem Limited**

Arif Rayani
Chairman
00245647

Date: May 29, 2026
Place: Mumbai

Management Discussion and Analysis Report

The management of Panama Petrochem Limited presents the analysis of the Company for the year ended March 31, 2026 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments both in India and abroad.

This Management Discussion and Analysis ("MD&A") Report of Panama Petrochem Limited for the year ended March 31, 2026 contains financial highlights but does not contain the complete financial statements of the Company. It should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2026.

GLOBAL ECONOMY

Global growth remained resilient at 3.4% in calendar year (CY) 2025 despite rising geopolitical tensions and ongoing policy adjustments across major economies. Easing inflationary pressures and increased investments driven by advancements in artificial intelligence (AI) provided support to global economic activity.

Economic performance, however, continued to vary across regions. Emerging Markets and Developing Economies outpaced advanced economies, recording a growth of 4.4%. This growth was supported by improving financial conditions, favourable capital inflows, and currency appreciation against the US Dollar. In contrast, advanced economies expanded by a modest 1.9%, reflecting softer demand conditions and the residual impact of earlier monetary tightening measures.

Global trade dynamics became increasingly challenging during the year. Tariff-related measures intensified, primarily driven by policy actions in the United States, and are expected to remain elevated through CY 2026. While global trade volumes increased due to the front-loading of imports, heightened policy uncertainty continued to weigh on investment sentiment and disrupt supply chains. Smaller and less diversified economies remained particularly exposed to rising costs and external shocks. In response, several countries accelerated efforts to diversify trade partnerships through bilateral and plurilateral agreements, with a focus on strengthening supply chain resilience and reducing strategic dependencies.

Looking ahead, global output is projected to grow by 3.1% in CY 2026, broadly in line with the previous year, reflecting continued resilience in aggregate demand. Nevertheless, the outlook remains subject to significant uncertainty. Persistent geopolitical conflicts and trade disruptions arising from tariff measures continue to pose downside risks to growth. Energy prices are expected to remain volatile, as weaker demand conditions may be offset by supply-side constraints, particularly those stemming from geopolitical developments in West Asia. Consequently, commodity and energy markets may continue to experience price fluctuations in the near term.

On the upside, accelerated productivity gains from wider AI adoption and sustained private-sector investment could support stronger economic growth. In developing economies, favourable demographic trends, including a growing working-age population, are expected to underpin medium-term growth prospects. Meanwhile, advanced economies are likely to maintain fiscal support, with increased emphasis on energy security, food security, and strategic investments.

Overall, while the baseline global outlook remains stable, the evolving geopolitical environment and the ability of economies to adapt to changing trade and policy dynamics will remain key determinants of growth in the years ahead.

INDIAN ECONOMY

The Indian economy remained resilient in FY 2025-26 despite a challenging global backdrop marked by geopolitical tensions and evolving trade dynamics. Real GDP growth is estimated at around 7.4%–7.6%, supported by strong domestic demand and sustained public capital expenditure. Private sector investment showed gradual improvement, although it remained cautious amid global trade and tariff uncertainties.

The Indian Rupee witnessed a depreciating trend during the year, moving from the mid- ₹ 85 range to around ₹ 93-94 per US Dollar, driven by external uncertainties, portfolio outflows, and geopolitical developments in West Asia. Nevertheless, adequate foreign exchange reserves and prudent macroeconomic management helped maintain overall stability.

Monetary conditions during FY 2025-26 remained supportive of economic activity. The RBI reduced the policy repo rate from 6.25% at the start of FY 2025-26 to 5.25%, balancing growth considerations with price stability amid evolving external risk conditions. System liquidity remained adequate, facilitating steady credit expansion to productive sectors, while the banking system and corporate balance sheets remained largely healthy.

India's external sector faced headwinds from subdued global demand, trade disruptions, and tariff-related uncertainties. While merchandise exports remained under pressure, robust

growth in services exports, particularly in IT and business services, along with strong remittance inflows, helped contain the current account deficit at around 1.0%–1.5% of GDP.

Looking ahead, geopolitical tensions in West Asia continue to pose risks through higher energy prices, supply chain disruptions, and increased logistics costs. Sustaining macroeconomic stability, strengthening domestic demand, and maintaining reform momentum will be critical to supporting India's growth trajectory in the coming years.

INDUSTRY OVERVIEW

The petroleum specialty industry plays a vital role in the global manufacturing ecosystem by supplying critical raw materials used across diverse sectors such as packaging, automotive, construction, agriculture, pharmaceuticals, textiles, consumer goods, and infrastructure. Demand for specialty petroleum products continues to be driven by industrial growth, urbanisation, rising consumer spending, and increasing adoption of advanced materials.

The industry witnessed a mixed performance during FY 2025-26. While demand remained relatively resilient across key end-use sectors, manufacturers continued to face challenges arising from geopolitical uncertainties, fluctuations in crude oil prices, supply chain disruptions, and changing trade policies. Feedstock costs remained volatile due to developments in global energy markets, particularly in West Asia, impacting industry margins.

In India, the industry continued to benefit from strong domestic consumption, expanding manufacturing activity, and government initiatives aimed at strengthening industrial growth and infrastructure development. Growth in sectors such as packaging, automotive, construction, and consumer goods supported demand for petrochemical products. At the same time, increasing investments in refining and petrochemical integration are expected to enhance capacity utilisation and improve long-term competitiveness.

Looking ahead, the industry is expected to benefit from rising demand for specialty chemicals, and value-added petrochemical products. However, factors such as crude oil price volatility, environmental regulations, sustainability requirements, and geopolitical developments will continue to influence industry dynamics.

BUSINESS OVERVIEW

Established in 1982, Panama Petrochem Limited is one of the leading manufacturers & exporters of nearly 80 variants of petroleum specialty products.

The products are vital for various industries like inks and resins, textiles, rubber, pharmaceuticals, cosmetics, and other industrial purposes. With an object to continue its expansion, the Company has established a subsidiary in UAE i.e. **Panol Industries RMC FZE**, in order to cater the markets of middle east and African Continent.

Given the pace at which the investments are happening in this sector and how the government is shaping its policies to give a push to petrochemical products, it comes as no surprise that India's petrochemical sector provides lucrative opportunities to investors, and there is huge potential that still needs to be tapped, Panama Petrochem Limited is working towards creating a difference in India's petrochemical industry by continuously creating products that are safe and drive the nation to become self-reliant.

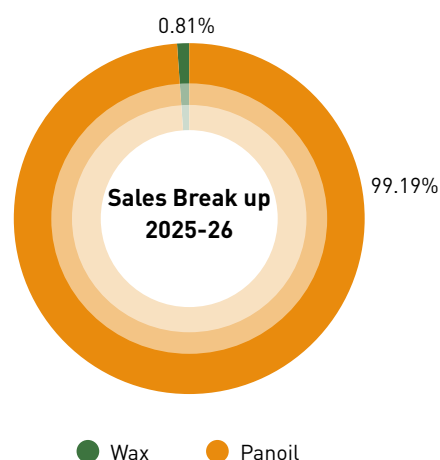
MANUFACTURING FACILITIES

The Company has five manufacturing units, all located in western India, namely in Ankleshwar (Gujarat), Daman (Union Territory), Taloja (Raigadh, Maharashtra), Ambernath District, (Thane, Maharashtra), and Dahej (Bharuch, Gujarat). The Company's products are exported to more than 55 countries globally. Additionally, the Company has been certified as a Star Export House with a fully equipped state-of-the-art Research and Development Centre at its Ankleshwar unit where it formulates new and value-added products. The Company manufactures nearly 80 product variants used across 6-7 broad industry segments.

The Company also develops customized products as per client specifications in the field of petroleum and feeds to various industries like Printing Ink, Resin, Cosmetics, Rubber products, Pharmaceuticals, Engineering, and Chemicals including Petro Chemicals.

Over the years, the Company has formed strong relations with its clientele, comprising of leading names across sectors. Its ability to offer customized products complying with global quality standards has enabled to generate business not only from existing clients, but has also added new clients through business referral.

PRODUCT WISE SALES BREAK-UP FOR THE FINANCIAL YEAR 2025-26



Panoil is the key product of the Company, it has various variants depending upon its end use application.

FUTURE OUTLOOK

The outlook for the petroleum specialty products industry remains positive, supported by increasing industrial activity, infrastructure development, urbanization, and growing demand from a diverse range of end-user industries. As economies continue to focus on manufacturing expansion, energy security, and technological advancement, the demand for high-performance petroleum specialty products is expected to witness steady growth in the coming years.

The industry is increasingly moving towards value-added and customized products that offer enhanced performance, efficiency, and compliance with evolving environmental standards. Specialty products such as process oils, transformer oils, white oils, waxes, petroleum jelly, and other performance-oriented petroleum derivatives are expected to witness sustained demand from sectors including automotive, power, rubber and tyres, personal care, pharmaceuticals, packaging, chemicals, and industrial manufacturing. The growing need for reliable and efficient industrial operations is likely to further strengthen the consumption of these products.

With its diversified portfolio of petroleum specialty products catering to a broad spectrum of industries, Panama Petrochem Limited is well-positioned to benefit from the growing demand across both domestic and international markets. The Company's strong market presence, extensive product range, and customer-centric approach provide a solid foundation for sustained growth and enhanced market penetration.

The Company continues to invest in expanding its manufacturing capacities and strengthening its operational capabilities to effectively meet the evolving requirements of its customers worldwide. These strategic initiatives are expected to enhance production efficiency, support future growth opportunities, and reinforce the Company's competitive position in the industry. At the same time, the Company remains focused on prudent risk management and operational excellence to effectively navigate challenges arising from fluctuations in crude oil prices and changing market dynamics.

While fluctuations in crude oil prices, geopolitical developments, and regulatory changes may continue to pose challenges, the industry's strong fundamentals, expanding application base, and increasing focus on specialty and value-added products are expected to support sustainable growth.

SWOT PROFILE



Strengths

- Strong Positioning.
- Strong Portfolio of more than 80 product Variants.
- Strong R&D Capabilities.
- Wider Customer Base



Weakness

- Small in size



Threats

- Fluctuation in currency rate.
- Rise in raw material costs.
- Margin pressure.
- Volatility in rupee.



Opportunity

- Rising demand for specialty products.
- Huge Export Market.
- Business expansion.





OPPORTUNITIES

The outlook for the petroleum specialty products industry remains positive, driven by continued industrialization, increasing infrastructure development, and the expansion of manufacturing activities across various sectors. Rising investments in infrastructure, transportation, energy, and industrial projects are expected to generate sustained demand for a wide range of petroleum specialty products. In addition, the growing trend of outsourcing and the increasing integration of global supply chains are creating new opportunities for manufacturers to cater to both domestic and international markets.

Industries such as rubber and tyres, personal care and cosmetics, pharmaceuticals, packaging, power generation, and industrial manufacturing continue to rely heavily on specialized petroleum products as critical inputs for their operations. The growing emphasis on product quality, operational efficiency, and technological advancement across these sectors is likely to support long-term demand growth and contribute to the overall expansion of the industry.

The Company is well-positioned to benefit from these favourable industry dynamics. Its long-standing relationships with customers, established market presence, and commitment to product quality provide a strong foundation for sustained business growth. The Company continues to focus on strengthening customer engagement, expanding its product offerings, and enhancing its operational capabilities to meet evolving market requirements.

Furthermore, the Company has been steadily expanding its footprint in international markets and has established a growing presence across regions such as North America, Europe, Africa, and Asia. Increasing acceptance of the Company's products in global markets, coupled with its focus on maintaining high quality standards and reliable supply capabilities, is expected to support future growth. The continued diversification of its customer base across geographies and industries is likely to create additional opportunities for revenue growth and strengthen the Company's competitive position in both domestic and export markets.



THREATS

Changes in Government policies, especially regarding import of Base Oil will have an adverse impact on the performance of the Company. However, considering the multifarious purposes for which it is used, the domestic supplies are not adequate to meet such domestic demands, hence, the possibilities for any extreme changes in Government policies appear to be remote.

RISKS AND CONCERNS



Strategic and Commercial Risks

Company's financial performance is subject to the fluctuating prices of crude oil and downstream petroleum products. Prices of products are affected by supply and demand, both globally and regionally. Factors that influence fluctuations in crude prices and crude availability include operational issues, natural disasters, political instability, economic conditions and Government pricing policy of petroleum products among others.



Environmental Risks

All phases of the oil business present environmental risks and hazards. As a result, they are subject to environmental regulation pursuant to a complex blend of federal, provincial, and municipal laws and regulations. The Company is in compliance with current applicable environmental rules and regulations.



Financial Risks

Financial risks associated with the petroleum industry include fluctuation in commodity prices, interest rates, and currency exchange rates and profitability of the Company depends on the prices and availability of the base oils. Foreign exchange risk is tracked and managed within the risk management framework. The interest rate risk is managed by the Company through various financial instruments available to convert floating rate liabilities into fixed rate liabilities or vice-versa.



Operational Risks

Operational risks include competitive environmental factors, dependence upon third parties for commodity transportation & processing and a complex regulatory environment. The Company closely follows the applicable Government regulations. The Company carries insurance coverage to protect itself against those potential losses that could be economically insured.

Cyber Security Risks

The use of information and telecommunication technologies is increasing, resulting in greater security threats to its digital infrastructure. A breach of the digital security or disruptions to the digital infrastructure of the Company, due to intentional actions, such as cyber-attacks or human error could lead to serious impacts to its businesses. These impacts may include injury to staff, loss of control, impact on continuity or damage to assets and services, harm to the environment, the loss of sensitive data or information, legal and regulatory breaches and reputational damage. But the Company continues to strengthen its responses to cyber security threats through proactive and reactive risk mitigations.

Human Resource Risk

The Company's success largely depends on the strength of its skilled professionals and management team. Shortage of skilled workforce, high attrition rates, underutilization of personnel, or lack of the right skills may disrupt the Company's operations, productivity, and growth prospects. The Company undertakes numerous initiatives to attract and retain its talented workforce and improve employee engagement. The Company ensures the availability of the right skills in the right quantity through capability development and capacity augmentation activities.

Safety Risks

Safety is an ever-evolving journey. The Company's manufacturing facilities have adopted Safety Management System. Regular audits are conducted to assess the on-ground implementation of various processes prescribed by Safety Management System. Critical safety incidents are studied by the senior leadership.

Regulatory Risk

The Company operates in a highly regulated industry and is subject to laws and regulations, any violations of applicable laws, regulations, and procedures would adversely affect the Company's business, reputation, and market share. The Company closely monitors the regulatory requirements and their implications on the business operations. It strictly adheres to the regulations and implements controls and procedures to ensure that it complies with the applicable laws and regulations.

Competition Risk

The petrochemical industry is highly competitive. The Company's comprehensive portfolio coupled with its extensive global presence, scale capacity, and longstanding client relationships differentiate it from competitors and empower it to successfully compete in the industry.

PERFORMANCE

- Earnings before Interest, Depreciation, and Tax & Amortization (EBITDA) on a standalone basis for F.Y. 2025-26 was ₹ 210.17 Crore, which has resulted in an increase of 16.52 % in comparison with the previous year's EBITDA.
- The Net profit after tax for F.Y.2025-26 was ₹ 143.28 Crore, as against ₹ 116.59 Crore in the previous year, resulting in 22.89 % increase.
- The Company's standalone revenue from operations for F.Y. 2025-26 was ₹ 1961.81 Crore which is an increase of 10.48% over the previous year's revenue.
- Additionally, the consolidated revenue from operations of the Company for the year ended March 31, 2026 was ₹ 3064.26 Crore which has increased by 9.72% on a Year on Year basis.
- Net Profit of the Company on a consolidated basis was ₹ 212.50 Crore which has increased by 13.62% as that of the previous year.
- EPS on standalone basis is ₹ 23.69 as against ₹ 19.27 in the previous year.
- Furthermore, EPS on consolidated basis increased to ₹ 35.13 from ₹ 30.92

During the Financial Year 2025-26, the Company delivered a strong financial performance, driven by robust demand across key business segments, improved operational efficiencies, and effective cost management initiatives.

On a standalone basis, the Company's revenue from operations increased by 10.48% to ₹1,961.81 Crore as compared to the previous financial year. The Company's EBITDA stood at ₹ 210.17 Crore, registering a growth of 16.52% over the previous year, reflecting enhanced operating performance and improved margins. Consequently, the standalone Profit after tax increased significantly by 22.89% to ₹ 143.28 Crore from ₹ 116.59 Crore in the previous year. Earnings per share (EPS) on a standalone basis also improved to ₹ 23.69 as against ₹ 19.27 in the previous year.

On a consolidated basis, the Company's revenue from operations increased by 9.72% year-on-year to ₹ 3,064.26 Crore for the year ended March 31, 2026. The consolidated Profit after tax stood at ₹ 212.50 Crore, reflecting a growth of 13.62% over the previous year.

The improvement in profitability was primarily attributable to higher sales volumes, a favourable product mix, operational efficiencies, and prudent cost control measures across the Group. Consequently, the consolidated earnings per share (EPS) increased to ₹ 35.13 from ₹ 30.92 in the previous financial year. The management remains focused on sustaining profitable growth through capacity expansion, operational excellence, and continued strengthening of its market presence.

KEY FINANCIAL RATIOS

Ratio Analysis	Units	Standalone		Consolidated	
		F.Y 2026	F.Y 2025	F.Y 2026	F.Y 2025
Trade Receivable/Debtors Turnover Ratio	Times	4.52	4.59	5.69	6.14
Inventory Turnover Ratio	Times	4.96	5.17	5.69	6.20
Current Ratio	Times	3.02	4.09	3.69	5.18
Debt Equity Ratio	Times	0.05	0.00	0.05	0.00
Operating Profit Margin	%	10.28	9.71	8.96	8.83
Net Profit Margin	%	7.30	6.57	6.93	6.70
Return on Networth	%	19.14	18.49	18.69	19.64
Debt Service/Interest Coverage Ratio	Times	25.32	12.46	24.10	14.26
Return On Equity Ratio	%	19.14	18.49	18.69	19.64
Trade Payables Turnover Ratio	Times	7.72	6.96	11.07	9.90
Net Capital Turnover Ratio	Times	2.81	2.90	2.81	2.96
Return on Capital Employed	%	19.14	18.49	18.69	19.64

HUMAN RESOURCE/INDUSTRIAL RELATIONS

The Company considers its employees as the most important asset and integral to its growth and continued success. Over the past years, the Company has increased its focus on its employee engagement and development, launching various new initiatives with the goal of attracting, engaging, retaining, and fostering key talent and diversity across the organization. The Company has increased its investments in learning and skill development initiatives.

The Company recognizes the importance and contribution of human resources in its growth & development and values their talent, integrity and dedication. The Company offers a highly entrepreneurial culture with a team based approach that we believe encourages growth and motivates its employees. The Company has been successful in attracting and retaining key professionals and intends to continue seeking fresh talent to further enhance and grow its business.

It is the people that make an organization. With human resources department being the custodian of all people related processes, it becomes a critical factor in organisational success. The HR works with an objective of aligning the aspirational needs of the people with the organizational objectives of sustained growth, market leadership and cost competitiveness. Its sole aim is to build the Company an exemplary organisation that inspires excellence every day. People development has been a constant focus of HR.

The Company's workforce remains stable and appropriately structured to support its business model and operational requirements. The Company is committed to maintaining a competent, technically proficient, and efficient workforce,

ensuring sustained operational excellence and alignment with the scale and complexity of its business operations.

SUSTAINABILITY

It has been a constant endeavor of the Organization to formulate, adopt and improve its business model, embracing both sustainability and growth agenda. This model helps us build efficiencies to achieve sustainable business performance. As part of our sustainability agenda, we focus on conservation of environment, natural resources and energy efficiency. Our operational strategy is built on a long term commitment to experiment and implement new ideas for improving efficiencies and minimizing the use of input resources. Our continued endeavours towards improving productivity and efficiency of all processes, equipments and systems as well as optimization measures have made the Company as one of the most efficient players in terms of energy consumption and resource utilization.

Additionally, the Company has a robust ESG Risk Analysis and monitoring framework which is directly overseen by the Risk Management Committee of the Company.

Moreover, focus on renewable energy continues to remain a thrust area in our sustainability agenda. This has helped the Company in conserving precious natural resources.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a robust internal control mechanism in place commensurate with the size and nature of its business. The internal control systems comprising policies and procedures are designed to ensure that operations are efficiently managed and aligned with the strategic objectives of the Company and

address various aspects of governance, compliance, audit, control, and reporting. The internal controls are responsible for complying with the regulatory requirements, preventing fraud and errors, safeguarding the Company's assets and finances, and preserving the accuracy and reliability of financial transactions and reporting.

The Company has an effective internal audit and control system. The Internal audits are conducted by a firm of Chartered Accountants, ably supported by an internal team staffed with qualified and experienced people. All operational activities are subject to internal audits at frequent intervals. The existing audit and inspection procedures are reviewed periodically to enhance their effectiveness, usefulness and timeliness.

The Audit Committee of the Board of Directors, regularly reviews the findings of the internal auditors, adequacy of internal controls, financial controls, compliance with the accounting standards, as well as recommends to the Board, the adoption of the quarterly and annual results of the Company and appointment of auditors. The Audit Committee also reviews the related party transactions, entered into by the Company during each quarter.

CAUTIONARY STATEMENT

Readers are cautioned that this Management Discussion and Analysis Report may contain certain forward looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. The Company's actual performance may differ materially from those expressed or implied in the statement as important factors could influence Company's operations such as effect of political conditions in India and abroad, economic development, new regulations, Government policies and such other factors which are beyond the control of the Company and may impact the businesses as well as its ability to implement the strategies.

By Order of the Board of Directors

For **Panama Petrochem Limited**

Arif A. Rayani

Chairman

DIN:00245647

Date: May 29, 2026

Place: Mumbai

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Panama Petrochem Limited's philosophy is directed towards reaching and positively impacting lives across the globe through adherence of its core values of Quality, Reliability, Consistency, Integrity, and Innovation. These values are deeply ingrained in the Company's ethos and constitute the cornerstone of its Corporate Governance framework.

The Company remains steadfast in upholding these principles in its engagements with all the stakeholders, including shareholders, employees, customers, suppliers, and regulatory authorities, thereby fostering enduring relationships founded on trust and collaboration.

The Corporate Governance framework of Panama Petrochem Limited is anchored in the principles of integrity, compliance, ethics, and accountability, which guide its day-to-day operations and extends beyond mere regulatory compliance and reflects an unwavering commitment to the adoption of best practices and responsible business conduct. The governance framework of the Company facilitates timely and accurate disclosures pertaining to financial performance, leadership, and governance matters, recognising sound governance as a critical enabler of sustainable growth and long-term value creation.

The Company continues to operate as a responsible corporate citizen while ensuring compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. ('Listing Regulations')

2. BOARD OF DIRECTORS

(a) Composition

The Board of Directors, in conjunction with its Committees, provides leadership, guidance, and supervision to the management, thereby enhancing stakeholder value. Our Company is committed to maintaining an active and well-informed Board comprised of individuals with varied qualifications and experiences. The Board composition is consistent with the requirements outlined in the Listing Regulations and the Companies Act, 2013.

We acknowledge the importance of fostering diversity within our Board as a catalyst for our success. Embracing diversity enables us to harness a range of perspectives, expertise, and industry experiences, enriching our Board deliberations and fostering effective decision-making.

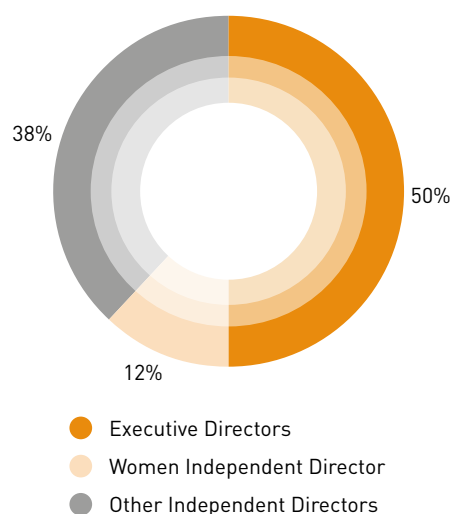
Our Board is strategically composed of both Executive and Non-Executive Directors, each contributing significant expertise pertinent to our Company's operations. We uphold a distinct division between governance and management

responsibilities, ensuring a harmonious balance of both in our approach to delivering results.

As on March 31, 2026, our Board consists of 8 Directors, with extensive experience in their respective fields. Among them, 4 are Executive Directors and 4 are Non-Executive Independent Directors (including woman Independent Director), with the Chairman being an Executive Director.

Each of our Directors possesses the requisite qualifications and experience to make meaningful contributions to the Company's operations. They diligently adhere to the guidelines concerning Committee Memberships, ensuring that no Director is overextended by serving on more than 10 Committees or chairing more than 5 Committees across all the Companies where they hold Directorships. Furthermore, no Director occupies Directorship positions in more than 20 Companies or in more than 10 public Companies. Additionally, our Directors fully comply with the limitations on Independent Directorships set forth in Regulation 25(1) of the Listing Regulations.

Board Composition as on March 31, 2026



(b) Meetings and attendance during the year

Four Board Meetings were held during the financial year April 01, 2025 to March 31, 2026. The maximum gap between any two Board meetings was within the stipulated time.

The Company Secretary, in consultation with the Chairman & Managing Directors, drafts the agenda of the meetings, which is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II to the Listing Regulations is made available to the Board.

At Board Meetings, the Chairman apprises the Board on the overall performance of the Company. The Board also, inter-alia, reviews the quarterly, half-yearly and annual financial results, compliance reports on all laws applicable to the Company, minutes of Board Meetings of subsidiary and minutes of meetings of Committees of the Board. In addition, the Board is kept informed of all major events. Based on the agenda, members of the senior leadership are invited to attend the Board Meetings, which brings in requisite accountability and provides developmental inputs.

Details of attendance of Directors in the Board Meetings held during the financial year April 01, 2025 to March 31, 2026 are as under:

Sr. no.	Name of the Director	Category of Directorship	Attendance details		
			Board Meetings Attended	% of total meetings attended during the tenure as a Director	Last Annual General Meeting (09.09.2025)
1	Mr. Arif A. Rayani (DIN: 00245647)	Executive Director (ED)	4	100	Yes
2	Mr. Samir A. Rayani (DIN: 00002674)	Executive Director(ED)	4	100	Yes
3	Mr. Hussein V. Rayani (DIN: 00172165)	Executive Director(ED)	4	100	Yes
4	Mr. Amirali E. Rayani (DIN:00002616)	Executive Director (ED)	4	100	Yes
5	Mr. Kumar Raju Nandimandalam (DIN: 00829724)	Non-Executive- Independent Director (NE-ID)	4	100	Yes
6	Mr. Ashok Mukhi (DIN: 01262560)	Non-Executive- Independent Director (NE-ID)	3	75	Yes
7	Mr. Arvind Shah (DIN: 01645534)	Non-Executive- Independent Director (NE-ID)	4	100	Yes
8	Ms. Almas Nanda (DIN: 05329210)	Non-Executive- Independent Director (NE-ID)	4	100	Yes

Number and Dates of Board Meetings held:

During the Financial Year April 01, 2025 to March 31, 2026, 4 (Four) meetings were held on the following dates:

May 26, 2025, July 31, 2025, November 11, 2025 and February 10, 2026

The Chairperson of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was present at the previous Annual General Meeting of the Company.

(c) Number of Other Companies or Committees the Director is a Director/Member/ Chairman:

Name of the Director	Category & Designation	Directorship held in other listed entities	No. of positions held in other Public Companies		
			Board ¹	Committee	
				Membership ²	Chairmanship ²
Mr. Arif Rayani	Executive Director (Chairman)	Nil	Nil	Nil	Nil
Mr. Amirali E. Rayani	Executive Director	Nil	Nil	Nil	Nil
Mr. Hussein V. Rayani	Executive Director (Joint Managing Director)	Nil	Nil	Nil	Nil
Mr. Samir A. Rayani	Executive Director (Managing Director & CEO)	Nil	Nil	Nil	Nil
Mr. Kumar Raju Nandimandalam	Non Executive & Independent Director	Nil	Nil	Nil	Nil
Mr. Ashok Mukhi	Non Executive & Independent Director	Nil	Nil	Nil	Nil
*Mr. Arvind Shah	Non Executive & Independent Director	1	1	2	2

Name of the Director	Category & Designation	Directorship held in other listed entities	No. of positions held in other Public Companies		
			Board ¹	Committee	
				Membership ²	Chairmanship ²
Ms. Almas Nanda	Non Executive & Independent Director	Nil	Nil	Nil	Nil

*Mr. Arvind Shah serves as an Independent Director on the Board of Veer Energy & Infrastructure Limited

¹Excludes Directorships in Associations, Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Companies Act, 2013.

²Only Audit Committee and Stakeholder Relationship Committee of other Indian Public Companies have been considered for committee positions.

³Mr. Amirali E. Rayani & Mr. Arif A. Rayani are directly related to each other, Mr. Samir A. Rayani & Mr. Hussein V. Rayani are members of the extended family. Save and except none of the other Directors are inter-se related to other Directors.

(d) Independent Directors

The Independent Directors have provided declarations confirming their compliance with the criteria of Independence outlined in the Companies Act, 2013, and the Listing Regulations.

Based on the declarations received from the Independent Directors, the Board has confirmed the veracity of such disclosures and confirmed that the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management of the Company.

During the Financial year 2025-26, none of the Independent Directors of the Company have resigned before the expiry of their term.

Furthermore, the Company has issued Letters of Appointment to all its Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder. A sample letter of appointment/re-appointment containing the terms and conditions, issued to the Independent Directors, is hosted on the Company's website.

Based on the disclosures received from Directors periodically, it is affirmed that none of the Independent Directors exceed the prescribed limits for memberships or chairmanships and meet the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, thereby maintaining independence from the management.

Additionally, the Company has implemented Directors and Officers Insurance (D&O Insurance) to provide coverage for all its Independent Directors.

(e) Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions

are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualifications, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision thereupon.

(f) Familiarization Programme for Independent Directors

The Company has an orientation programme upon induction of new Directors, as well as other initiatives to update all the Directors of the Company on a continuous basis. The Company also has an ongoing familiarization programme for its Independent Directors, with the objective of familiarizing them with the Company, its operations and business model, nature of the industry, Corporate Overview, Statutory Reports, Financial Statements and environment in which it operates, the regulatory environment applicable to it, the CSR projects undertaken by the Company and also the roles, rights and responsibilities of Independent Directors. During the year, the Company organized several familiarization programmes for its Directors, details of which are disclosed on the website of the Company, at the following web link:

<https://panamapetro.com/uploads/documents/1776679754-1.pdf>

(g) Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on November 10, 2025, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations.

At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors of the Company attended the Meeting of the Independent Directors. Mr. Ashok Mukhi chaired the Meeting.

(h) Skills, Expertise and Competencies of the Board

The Board of Directors have, identified the following core skills/expertise/competencies of Directors as

required in the context of business of the Company for its effective functioning:

- Leadership experience in managing companies and associations including general management
- Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
- Experience in human resources and communication
- Relevant experience and knowledge in the matters of Safety and Corporate
- Social Responsibility including environment, sustainability, community and values.
- Sales & Marketing: Experience in sales and marketing management based on understanding of the industry
- General management/Governance: Strategic thinking, decision making and protect interest of all stakeholders
- Expertise in the field of science and knowledge relating to the petroleum industry

On the basis of the above-mentioned skill matrix, the Board has identified the following skills/competencies/expertise of the Board of Directors of the Company:

Directors	Leadership	Finance	Human resources and communication	Safety and Corporate Social Responsibility	Sales & Marketing	General management/ Governance	Expertise in science and knowledge
Mr. Amirali E. Rayani	✓	✓	-	✓	✓	✓	-
Mr. Arif A. Rayani	✓	✓	-	✓	✓	✓	-
Mr. Hussein V. Rayani	✓	-	-	-	✓	✓	✓
Mr. Samir A. Rayani	✓	✓	-	✓	✓	✓	✓
Mr. Kumar Raju Nandimandalam	✓	✓	-	-	✓	✓	✓
Mr. Ashok Mukhi	✓	✓	✓	-	✓	✓	-
Mr. Arvind Shah	✓	✓	-	✓	-	✓	-
Ms. Almas Nanda	✓	-	✓	✓	✓	✓	-

COMMITTEES OF THE BOARD

The Board Committees of the Company play a crucial role in the governance structure of the Company and have been established in such a manner and with a view to ensure compliance of all the applicable regulations and to effectively implement the Company's vision in all the areas and in all the activities carried out within the organization at large. The Board has constituted the following committees:

AUDIT COMMITTEE

Total no. of meetings



4

Total no. of member



3

Average Attendance



a. Terms of Reference of Audit Committee

The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Role of Audit Committee inter alia, includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment.
- Approving payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement forming part of the Director's Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by the management.
- Significant adjustments made in financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of related party transactions.
- Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, or preferential issue or qualified institutional payment and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory auditors, including cost auditors and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal

control systems of a material nature, and reporting the matter to the Board.

- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of the CFO after assessing the qualifications, experience and background of the candidate.
- Carrying out such other function as mentioned in the terms of reference of the Committee.
- Reviewing the utilization of loans and/or advances from/investment by the Company in its subsidiary Company.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and on its shareholders.
- Reviewing the following information:
 - The Management Discussion and Analysis of financial condition and results of operations;
 - Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of internal auditors / chief internal auditor.
- Statement of Deviations:
 - Quarterly Statement of deviations including report of monitoring agency, submitted to exchanges in terms of Regulation 32(1) of the Listing Regulation.
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulation.

b. Composition, name of Members, Chairman and their attendance at meetings during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate.

During the Financial Year April 01, 2025 to March 31, 2026, 4 (Four) meetings were held on the following dates:

May 26, 2025, July 31, 2025, November 11, 2025 and February 10, 2026

The attendance of each member of the committee is given below.

Name of the Member	Category [ED/ NE- ID/ NED]	Attendance at the Audit Committee Meeting	% of total meetings attended during the tenure as a Member/ Secretary
Mr. Ashok Mukhi (Chairman)	NE-ID	4	100
Mr. Kumar Raju Nandimandalam (Member)	NE-ID	4	100
Mr. Samir A. Rayani (Member)	ED	4	100
Company Secretary			
Ms. Gayatri Sharma		4	100

ED: Executive Director

NE-ID: Non Executive-Independent Director

The Company Secretary acts as Secretary to the Committee.

The Chairman of the Audit Committee, Mr. Ashok Mukhi was present at the Annual General Meeting of the Company held on September 09, 2025.

During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance areas. Risk mitigation plans covering key risks affecting the Company were presented to the Committee.

The meetings of the Audit Committee are usually attended by the Chief Financial Officer, Internal Auditor, the Company Secretary and a representative of the Statutory Auditors. The Business and Operation Heads are invited to the Meetings, when required.

NOMINATION AND REMUNERATION COMMITTEE

Total no. of meetings



3

Total no. of member



3

Average Attendance



100%

The Committee's constitution and terms of reference are in compliance with Provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

a. Terms of Reference of Nomination and Remuneration Committee, inter alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- In terms of appointment of every Independent Director, the committee shall evaluate the balance of skills, knowledge and experience on the Board, the committee shall prepare a description of the role and capabilities required of an Independent Director. The person appointed as an Independent Director shall have the capabilities as identified in such description.
- To carry out evaluation of every Director's performance.

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board. And whether to extend or continue to the term of appointment of the Independent Director, on the basis of the performance evaluation of the Independent Director.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s), Whole-time Director(s) including the senior management based on their performance and defined assessment criteria.
- To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

b. Board and Director Evaluation and criteria for evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors (including independent directors), as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board,

its Committees and Directors. The criteria for Board Evaluation include inter-alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/

Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director & CEO.

c. Composition, name of Members, chairman and their attendance at meetings during the year

During the Financial Year April 01, 2025 to March 31, 2026, 3 (three) meetings were held on May 26, 2025, July 28, 2025 and November 10, 2025.

Name of the Member	Category [ED/NE- ID/ NED]	Attendance at the Nomination & Remuneration Committee Meeting	% of total attended during the tenure as a Member / Secretary
Mr. Ashok Mukhi (Chairman)	NE-ID	3	100
Mr. Arvind Shah (Member)	NE-ID	3	100
Ms. Almas Nanda (Member)	NE-ID	3	100
Company Secretary			
Ms. Gayatri Sharma		3	100

ED: Executive Director

NE-ID: Non Executive-Independent Director

The Company Secretary acts as a Secretary to the Committee.

The Chairman of the Nomination and Remuneration Committee, Mr. Ashok Mukhi was present at the Annual General Meeting of the Company held on September 09, 2025.

d. Remuneration Policy of the Company

The Company's philosophy for remuneration of Directors, key managerial personnel and senior management is based on the commitment of fostering a culture of leadership with trust.

The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate to deliver quality services required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The key Principles governing the Company's Remuneration Policy are as follows:

Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

• **Fixed pay:**

The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

• **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director(s) in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

- Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive/Independent Director:

- Remuneration/Commission:**

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

- Sitting Fees:**

The Non-Executive/Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

No remuneration was paid to any Non-Executive Directors of the Company during the financial year April 01, 2025 to March 31, 2026 except sitting fees for attending Board meetings and committee meetings.

e. Details of the Executive Directors Remuneration during their tenure for the financial year ended March 31, 2026

(₹ in Cr.)

REMUNERATION	DIRECTORS				
	Executive Directors				Non-Executive Directors
	Mr. Arif Rayani	Mr. Samir Rayani	Mr. Hussein Rayani	Mr. Amirali Rayani	
(a) Salary & Allowances (fixed)	1.11	1.01	0.64	0.96	
(b) Benefits & Perquisites	0.00	0.00	0.00	0.00	
(c) Bonus / Commission Additional Salary	4.00	4.00	4.00	4.00	
(d) Pension, Contribution to Provident fund & Superannuation Fund	0.00	0.00	0.00	0.00	
(e) Stock Option Details (if any)	The Company has not offered any Stock Options to its employees.				
(f) Notice period	The Agreement may be terminated by either party giving the other party six months' notice. With the liberty to the board of Directors to alter and vary the same.				Reasonable (to be decided by the Board) written notice, to be served
(g) Severance fess	Nil				Nil

Note: The agreement with each Executive Director is for a period of 5 years.

f. Details of the Sitting Fees paid to Non-Executive Directors for the financial year ended March 31, 2026

(₹ in Cr.)

Name of the Non-Executive Director	Amount of Sitting Fees Paid
Mr. Kumar Raju Nandimandalam	0.023
Mr. Arvind Shah	0.026
Mr. Ashok Mukhi	0.024
Ms. Almas Nanda	0.026

g. Shareholdings of Non-Executive Directors

None of the Non-Executive Directors held any shares in the Company as on March 31, 2026.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Total no. of meetings



1

Total no. of member



4

Average Attendance



100%

The Board has constituted Stakeholders Relationship Committee in accordance with the Provisions of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

(a) Terms of Reference of Stakeholders Relationship Committee

- To look into redressing shareholders and investors' complaints and to expedite the process of redressal of complaints like non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and carry out any other function as is mandated by the Board from time

to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar to an Issue & Share Transfer Agent.
- Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

(b) Meetings of the Committee

During the Financial Year April 01, 2025 to March 31, 2026, 1 (One) meeting was held on February 09, 2026

(c) Composition, name of Members, chairman and their attendance at meetings during the year

Name of the Member	Category [ED/ NE- ID/ NED]	Attendance at the Stakeholders Relationship Committee Meeting	% of total attended during the tenure as a Member / Secretary
Mr. Ashok Mukhi (Chairman)	NE-ID	1	100
Mr. Kumar Raju Nandimandalam (Member)	NE-ID	1	100
Mr. Samir A. Rayani (Member)	ED	1	100
Mr. Amirali E. Rayani (Member)	ED	1	100
Company Secretary			
Ms. Gayatri Sharma		1	100

ED: Executive Director

NE-ID: Non-Executive-Independent Director

The Company Secretary acts as Secretary to the Committee.

The Chairman of the Stakeholders Relationship Committee, Mr. Ashok Mukhi was present at the Annual General Meeting of the Company held on September 09, 2025.

(d) Name & Designation of the Compliance Officer

Ms. Gayatri Sharma, Company Secretary is the Compliance Officer of the Company.

(e) Redressal of Complaints

Shareholders may send their complaint for redressal to the email ID: cs@panamapetro.com

(f) No. of Complaints received, resolved/pending/not resolved to the satisfaction of the shareholder during the financial year:

During the financial year, the Company has received no complaints from its shareholders.

Your Company has constituted a Risk Management Committee with a primary objective of assisting the Board of Directors in overseeing the Company's risk management processes and controls and enhance stakeholder value. The Committee attempts to develop risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks.

a. The terms of reference of the Risk Management Committee are as follows:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks faced by the Company, including financial, operational, sectoral, sustainability (ESG related matters) information, cyber security risks or any other risk as deemed necessary by the committee.
 - Risk Mitigation measures including systems and processes for the internal control of identified risks.
 - Business Continuity plan.

RISK MANAGEMENT COMMITTEE:

Total no. of meetings



2

Total no. of member



3

Average Attendance



100%

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the Company;
- To monitor and oversee implementation of the risk management policy including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy by considering the changing industry dynamics and evolving complexity;
- To keep the Board of Directors informed about the nature and contents of its discussions, recommendations and actions to be taken;

- To review the appointment, removal and terms of remuneration of the Chief Risk Officer, if any.

The Board has adopted a Risk Management Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at <http://panamapetro.com/wp-content/uploads/2022/07/Risk-Management-Policy.pdf>

b. Meetings of the Committee

During the Financial Year April 01, 2025 to March 31, 2026, 2 (Two) meetings were held on: July 28, 2025 and February 09, 2026.

c. Composition, name of Members, chairman and their attendance at meetings during the year:

Name of the Member	Category [ED/NE- ID/ NED]	Attendance at the Risk Management Committee Meeting	% of total attended during the tenure as a Member / Secretary
Ms. Almas Nanda (Chairperson)	NE-ID	2	100
Mr. Arvind Shah (Member)	NE-ID	2	100
Mr. Hussein V. Rayani (Member)	ED	2	100
Company Secretary			
Ms. Gayatri Sharma		2	100

ED: Executive Director

NE-ID: Non-Executive-Independent Director

The Company Secretary acts as Secretary to the Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Total no. of meetings



Total no. of member



Average Attendance



The Corporate Social Responsibility Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy and observe practices of Corporate Governance at all levels.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

a. Terms of Reference of the Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with the provisions of Companies Act, 2013 and the rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.

- To monitor the implementation of the framework of the CSR Policy.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company:

http://panamapetro.com/wp-content/uploads/2021/06/CSR_Policy_amended.pdf

The Annual Report on CSR activities for the year 2025-2026 forms part of the Directors' Report.

b. Meetings of the Committee

During the Financial Year April 01, 2025 to March 31, 2026, 2 (Two) meetings were held on the following dates:

May 26, 2025 and February 09, 2026.

c. Composition, name of Members, chairman and their attendance at meetings during the year

Name of the Member	Category [ED/ NE- ID/ NED]	Attendance at the Corporate Social Responsibility Committee Meeting during their tenure	% of total attended during the tenure as a Member / Secretary
Ms. Almas Nanda (Chairperson)	NE-ID	2	100
Mr. Arvind Shah (Member)	NE-ID	2	100
Mr. Arif Rayani (Member)	ED	2	100
Company Secretary			
Ms. Gayatri Sharma		2	100

ED: Executive Director

NE-ID: Non-Executive-Independent Director

The Company Secretary acts as Secretary to the Committee.

3. GENERAL BODY MEETINGS

(a) Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time	Special Resolution(s) passed
2023	August 29, 2023	Through Video Conference	11:30 A.M	- To re-appoint Mr. Amirali Rayani (DIN:00002616) as Whole-time Director designated as Chairman (Executive). - To re-designate and appoint Mr. Samir Rayani (DIN:00002674) as the Managing Director and Chief Executive Officer of the Company, for a fresh term of five (5) years commencing from October 01, 2023. - To appoint Mr. Ashok Mukhi (DIN:01262560) as an Independent Director of the Company. - To appoint Mr. Arvind Shah (DIN:01645534) as an Independent Director of the Company. - To appoint Mr. Arif Rayani (DIN:00245647) as a Whole Time Director designated as Executive Director of the Company.
2024	August 29, 2024	Through Video Conference	11:30 A.M	To appoint Ms. Almas Nanda (DIN: 05329210) as Independent Director of the Company.
2025	September 09, 2025	Through Video Conference	11:30 A.M	To re-appoint Mr. Hussein V. Rayani (DIN: 00172165) as Joint Managing Director of the Company.

(b) Extraordinary General Meeting:

No extraordinary general meeting of the Members was held during the Financial Year ended March 31, 2026.

(c) Postal Ballot:

The Company had not conducted any postal ballot during the year under review.

At present, no Special Resolution is proposed to be conducted through Postal Ballot. Further, Postal Ballot whenever conducted by the Company will be carried out as per the provisions of the Companies Act, 2013, read with rules made thereunder and Listing Regulations and applicable laws, rules and regulations, as amended from time to time.

(d) Disclosure Regarding appointment /re-appointment of Director in the ensuing AGM:

As required under 36(3) of the Listing Regulations and Secretarial Standard - 2, particulars of the Directors seeking appointment/ re-appointment are provided in the notice convening this meeting.

4. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board members and senior management which also incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code is posted on the Company's website. All Board members and senior management personnel (as per Regulation 26 (3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct.

A declaration to this effect, signed by the Managing Director & CEO forms part of this Report.

Apart from receiving sitting fees that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors have any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiary and associates. None of the Non- Executive Directors are inter-se related to each other.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

5. SUBSIDIARIES

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiary and to formulate a governance framework for subsidiary of the Company. The Policy on Material Subsidiary is available on the website of the Company.

Panol Industries RMC FZE incorporated in Ras Al Khaimah, UAE on October 01, 2012, is a material subsidiary in the current accounting year as per the thresholds laid down under the Listing Regulations, and accordingly requirements relating to composition of Board of Directors of unlisted material subsidiary is complied with.

Mubarak Alketbi Chartered Accountants appointed on November 01, 2016 are the Statutory Auditors of Panol Industries RMC FZE.

The Company's Audit Committee reviews the consolidated financial statements of the Company as well as the financial statements of the subsidiary, including the investments made by the subsidiary. The minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiary of the Company are periodically placed before the Board of Directors of the Company.

6. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated and implemented a Code of Conduct for Regulating, Monitoring and Reporting of trading by the Designated Persons and their immediate relatives.

All the Designated Persons as defined in the Code are governed by this Code. The Company has also formulated and uploaded on its website the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under Regulation 8(1) of above regulations.

As required under Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulation, 2015 (as amended), Audit Committee of the Board of Directors of the Company has reviewed the Compliances with the provisions of these regulations and has also verified the internal control systems in this respect and the same are adequate and operating effectively.

7. DISCLOSURES

(a) Related Party Transactions:

There are no materially significant related party transactions with its Promoters, Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the Company at large. The other related party transactions are given in Notes to Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the following web link:

<https://panamapetro.com/uploads/documents/1770980469-1.pdf>

(b) Non-compliance by the Company, Penalties, Strictures:

There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

(c) Disclosure of Risk management:

The Company has a robust and comprehensive framework for identification and mitigation of risks. The Risk Management Committee is responsible for reviewing the risk management processes and ensuring its effectiveness. The Audit Committee has an additional oversight on financial risks and controls. Further details on risk management are given in the Management Discussion & Analysis Report which forms part of this Annual Report.

(d) Whistle Blower Policy:

The Company has formulated a policy for its employees and all the stakeholders of the Company, to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or any law as applicable to the Company for the time being in force. The policy also lays down the mechanism to prohibit managerial personnel from taking adverse action against employees or any such individuals, who are disclosing in good faith alleged wrongful conduct on matter of public concern involving violation of law, mismanagement, misappropriation of public funds etc.

The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel associated with the Company in any manner have been denied access to the Audit Committee.

(e) Material Subsidiary:

The Company has formulated a policy for determining material subsidiaries and the Policy is disclosed on the Company's website.

<http://panamapetro.com/wp-content/uploads/2015/12/msp.pdf>

(f) Disclosure of Accounting Treatment:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act.

(g) Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance. A certificate from the practicing Company Secretary to this effect has been included in this report.

(h) Managing Director & CEO and the Chief Financial Officer certification:

The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II of the Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended March 31, 2026.

(i) Discretionary Requirements:

The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:

- Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.

- Modified Opinion(s) in the Audit Report**

The financial statements of the Company are with unmodified audit opinion.

- Woman Independent Director**

The Company has a Woman Independent Director.

(j) Prevention, prohibition and redressal of sexual harassment at workplace:

Status of complaints in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 for the Financial Year 2025-2026 is as follows:

Number of complaints as on start of the financial year: 0

Number of complaints filed during the financial year: 0

Number of complaints disposed off during the financial year: 0

Number of complaints pending as on end of the financial year: 0

(k) Details of utilization of funds:

The Company has not raised any funds through preferential allotment or qualified institutions placement.

(l) Details of Senior Management:

Details of the Senior Management of the Company are as hereunder:

Sr. No.	Particulars	Designation
1.	Akbarali Rayani	Head-Production
2.	Nilima Kheraj	Chief HR Officer
3.	Pramod Maheshwari	Chief Financial Officer
4.	Gayatri Sharma	Company Secretary & Compliance Officer
5.	Pradip Kumar Nikam	President-Technical

There were no changes in the Senior Management of the Company.

(m) Confirmation by the Board of Directors regarding acceptance of recommendation of all Committees:

In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from all its Committees to the extent possible.

(n) Total Fees paid by the Company and its subsidiary, on a consolidated basis to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

A total fee of Rs. 0.31 Crore was paid by the Company and its subsidiary, on a consolidated basis, for all services rendered by JMR & Associates LLP, Statutory Auditors and all entities in the network firm/entity of which they are part.

(o) Disclosure of certain types of agreements binding listed entities:

The Company has not entered into any such agreements as enlisted under Clause 5A of paragraph A of Part A of Schedule III of the listing regulations.

(p) Loans and Advances:

The Company has not advanced any loan to firms/companies where Directors are interested.

(q) Dividend Distribution Policy:

The Company has formulated a Dividend Distribution Policy and has disclosed the same on the Company's website at the web link:

<http://panamapetro.com/wp-content/uploads/2021/08/ddp-web.pdf>

(r) Disclosure on compliance with Corporate Governance requirements:

The Company has complied with all the requirements of Corporate Governance mentioned in the Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations wherever applicable.

8. MEANS OF COMMUNICATION
(a) Quarterly Results/Annual Results:

The quarterly and the annual results, published in the format prescribed by the Listing Regulations read with the Circular

issued thereunder, are approved and taken on record by the Board of Directors of the Company. The approved results are forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed viz., NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Limited (NSE) and BSE Online Portal of BSE Limited (BSE). The results are also published within 48 hours in Economic Times and Lokmitra (English & Gujarati editions, respectively) and are also hosted on the Company's website, www.panamapetro.com

(b) Posting of Information on the website of the Company:

The Annual/Quarterly results of the Company, Share Holding Pattern, and other official information are promptly posted on the website of the Company: www.panamapetro.com

(c) The Management Discussion and Analysis Report forms a part of this Annual Report.

(d) Presentations made to institutional investors/to the analysts:

The presentations made to the institutional investors/analysts are made available on the website of the Company: <http://panamapetro.com/analyst-institutional-investors-meetings/>

9. GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting

Day, Date and Venue: Monday, August 24, 2026 through Video Conference only. The Registered Office of the Company shall be deemed to be the venue for the AGM.

Time: 11.30 A.M.

(b) Financial Year : April 2026 to March 2027

Financial Calendar (2026-27)

Events	Tentative time frame
Financial Reporting for the second quarter ending June 30, 2026	1 st week of August, 2026
Financial Reporting for the second quarter ending September 30, 2026	2 nd week of November, 2026
Financial Reporting for the third quarter ending December 31, 2026	2 nd week of February, 2027
Financial Reporting for the fourth quarter ending March 31, 2027	Last Week of May, 2027

(c) Dividend Payment Date: Within two weeks from the declaration of the dividend

(d) Listing on Stock Exchanges

Equity Shares

The Shares of the Company are listed on:

- **BSE Limited:** Mumbai Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-01.
- &
- **National Stock Exchange of India Limited:** Exchange Plaza, 5th Floor, Plot No.C/1,G Block. Bandra Kurla Complex, Bandra (E), Mumbai-51.

The Company has duly paid the applicable listing fees to the respective Stock Exchanges.

The Company's Equity shares were not suspended from trading during the year under review.

(e) Registrar and Share Transfer Agent

Members may correspond with the Company's Registrar and Share Transfer Agent, M/s Bigshare Services Pvt. Limited, quoting their folio numbers/ DP ID and Client ID at the following addresses:

Name	Bigshare Services Pvt. Limited
Address	Office No S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093.
Telephone No.	91-22-62638200
E-mail	info@bigshareonline.com

(f) Share Transfer System

The Company's shares are traded on BSE Limited & National Stock Exchange of India Limited, compulsorily in Demat mode.

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc.

During the Financial Year ended March 31, 2026, no shares were lying in the Suspense Escrow Demat Account of the Company, hence, no request was received for release of shares from the said Suspense Escrow Demat Account of the Company.

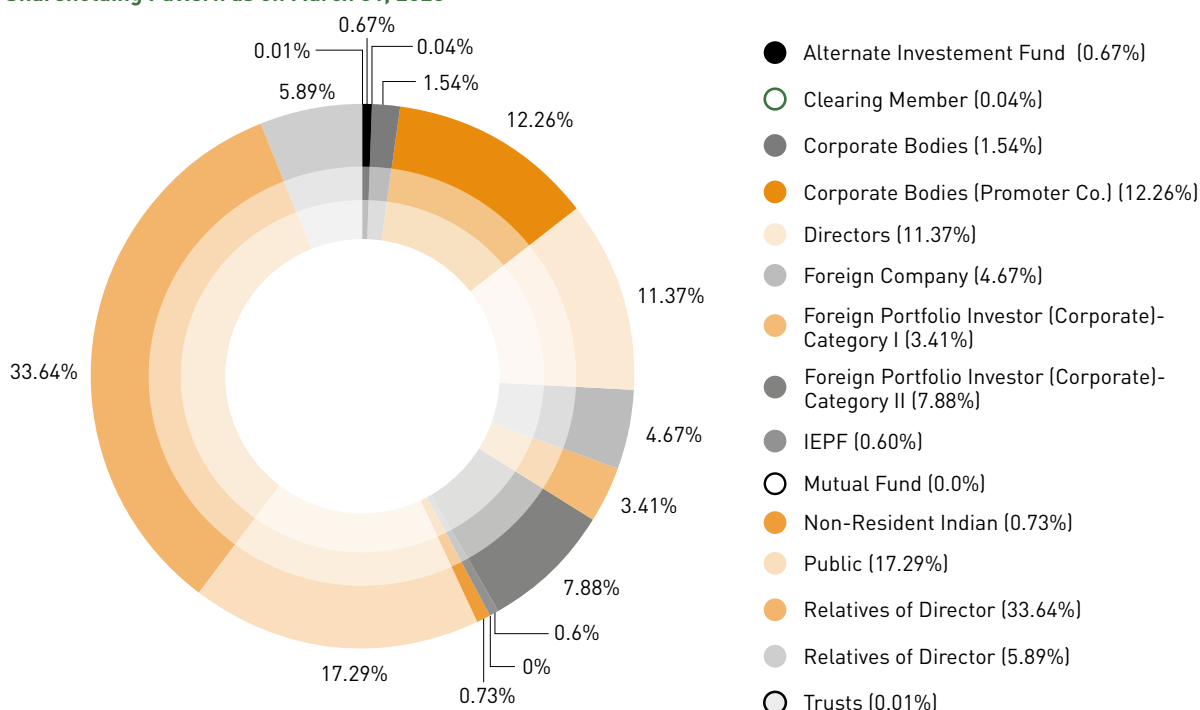
(g) Distribution of Shareholding as on March 31, 2026

Shareholding of Nominal Value		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
Up to 5,000		25711	97.89	8509236	7.03
5,001	10000	255	0.97	1822380	1.51
10,001	20000	132	0.50	1937668	1.60
20,001	30000	54	0.21	1355732	1.12
30,001	40000	16	0.06	576212	0.48
40,001	50000	21	0.08	962200	0.8
50,001	100000	26	0.1	1846528	1.52
100,001 and Above		49	0.19	103977240	85.94
Total		26264	100	12,09,87,196	100

(h) Shareholding Pattern as on March 31, 2026

Category	Total Shares	Percentage
ALTERNATE INVESTMENT FUND	407590	0.67
CLEARING MEMBER	21499	0.04
CORPORATE BODIES	929226	1.54
CORPORATE BODIES (PROMOTER CO)	7416158	12.26
DIRECTORS	6875429	11.37
FOREIGN COMPANY	2827612	4.67
FOREIGN PORTFOLIO INVESTOR-(Corporate) Category-I	2065299	3.41
FOREIGN PORTFOLIO INVESTOR-(Corporate) Category-II	4763612	7.88
IEPF	360812	0.60
MUTUAL FUND	62	0.00
NON-RESIDENT INDIAN	442007	0.73
PUBLIC	10460783	17.29
RELATIVES OF DIRECTOR	20351024	33.64
RELATIVES OF DIRECTOR (Foreign)	3565485	5.89
TRUSTS	7000	0.01
Total	6,04,93,598	100.00

Shareholding Pattern as on March 31, 2026



(ii) Secretarial Audit

M/s Milind Nirkhe & Associates, Company Secretaries, have conducted the Secretarial Audit of the Company for the financial year 2025-26. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made there under, Listing Regulations, applicable SEBI Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

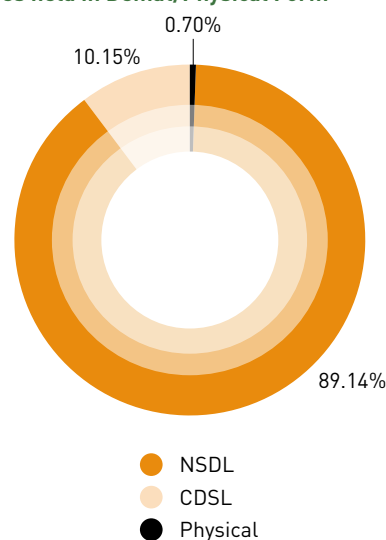
The Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

The Company has obtained an Annual Secretarial Compliance Report from M/s Milind Nirkhe & Associates, Practicing Company Secretaries confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines, for the year ended March 31, 2026.

M/s Milind Nirkhe & Associates, Company Secretaries, have issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

(j) Dematerialization of shares and liquidity

As on March 31, 2026 about 99.29% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

Shares held in Demat/Physical Form**(k) Commodity price risk or foreign exchange risk and hedging activities**

During the year, the Company has managed foreign exchange risk and hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through forward contracts.

(l) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity

As on March 31, 2026, there are no Outstanding GDR's / ADRs / Warrants or any Convertible instruments.

(m) Credit Rating

Rating Agency	Instrument Type	Rating	Remarks
CARE Ratings Limited	Long Term Bank Facilities	CARE A+; Stable	No revisions in the Credit Rating during the financial year.
	Short Term Bank Facilities	CARE A1+	
ICRA Limited	Fund based Bank Facilities	[ICRA]A+ (Stable)	No revisions in the Credit Rating during the financial year.
	Non-Fund based Bank Facilities	[ICRA]A1+	

(n) Plant Locations

The Company has the following units located at:

1. Plot No: 3303,3311, GIDC Industrial Estate, Ankleshwar-393 002, Gujarat.
Tel: 91-2646-221 068 / 250 281
Email: ankl@panamapetro.com
2. Survey No: 78/2, Daman Industrial Estate, Unit III, Poly Cab Road, Village Kadaiya, Dist. Daman, Daman (UT)-396 210.
Tel: 91-260-329 1311
Email: daman@panamapetro.com
3. Plot No. H-10-11-12 and H-14-15 M.I.D.C., Taloja, Navi Mumbai - 410208.
Tel: 91-22-27411456
Email: taloja@panamapetro.com
4. Plot No. 23 & 24 SEZ, Dahej, Bharuch District, Gujarat-392110.
Tel: 91-2641-320980
Email: dahej@panamapetro.com
5. Plot No. B5 and B6, Lodha Industrial and Logistic Park II, Ambarnath, District-Thane -421306.
Tel: 022-42177777
Email: amblocal@panamapetro.com

(o) Address for Correspondence

The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents (Bigshare Services Pvt. Limited) or to the Company at:

Corporate Office

Panama Petrochem Limited
401, Aza House, 24, Turner Road,
Bandra (W), Mumbai 400 050
Phone: 022- 42177777 Fax: 022- 42177788
e-mail: cs@panamapetro.com

By Order of the Board of Directors
For **Panama Petrochem Limited**

Arif A. Rayani
Chairman
DIN:00245647

Date: May 29, 2026
Place: Mumbai

CEO Certificate on Code of Conduct.

To,
The Members of
PANAMA PETROCHEM LIMITED

I, Samir A. Rayani, Managing Director & CEO of Panama Petrochem Limited hereby declare that all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2026.

For **Panama Petrochem Limited**

Samir A. Rayani

Managing Director & CEO

DIN : 00002674

Date : May 29, 2026

Place : Mumbai

Registered Office:

Plot No.3303, GIDC Estate,
Ankleshwar - 393 002. Gujarat



CEO & CFO Certification

To,
The Board of Directors,
PANAMA PETROCHEM LIMITED

We hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Panama Petrochem Limited**

Samir A. Rayani

Managing Director & CEO

DIN: 00002674

Date : May 29, 2026

Place : Mumbai

Pramod Maheshwari

CFO

Certificate Of Non-Disqualification Of Directors

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by Panama Petrochem Limited, having its Registered office at Plot No. 3303, GIDC Estate, Ankleshwar, Gujarat 393002 and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended March 31, 2026, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

For **MILIND NIRKHE & ASSOCIATES**

Company Secretaries

MILIND NIRKHE

Membership No: 4156

CP NO: 2312

Firm Unique Code No.: S1992MH790200

Peer Review Certificate No.: 7759/2026

UDIN NO: F004156H000529483

Date: May 29, 2026

Place: Mumbai



Practicing Company Secretary's Certificate on Corporate Governance

To,

The Members of Panama Petrochem Limited

We have examined the compliance of the conditions of Corporate Governance by Panama Petrochem Limited ('the Company') for the year ended 31st March, 2026 as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D, & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above- mentioned Listing Regulations for the year ended March 31, 2026.

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

For **MILIND NIRKHE & ASSOCIATES**
Company Secretaries

MILIND NIRKHE

Membership No: 4156

CP NO: 2312

Firm Unique Code No.: S1992MH790200

Peer Review Certificate No.: 7759/2026

UDIN NO: F004156H000529593

Date: May 29, 2026

Place: Mumbai

Business Responsibility & Sustainability Report



SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L23209GJ1982PLC005062
2. Name of the Listed Entity	Panama Petrochem Limited
3. Year of incorporation	1982
4. Registered office address	Plot no. 3303, GIDC Estate, Ankleshwar, Gujarat – 393002
5. Corporate address	401, Aza House, 24 Turner Road, Bandra (W), Mumbai – 400050
6. E-mail	ho@panamapetro.com
7. Telephone	+91-22-42177777
8. Website	http://www.panamapetro.com/
9. Financial year for which reporting is being done	01/04/2025–31/03/2026
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Limited
11. Paid-up Capital	₹ 12.10 crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Hussein Rayani–Jt. Managing Director Contact No. 022-42177777 e-mail Id: hussein@panamapetrochem.com
13. Reporting boundary–Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone
14. Name of assurance provider	Assurance of the BRSR Report is not applicable to the Company for financial year 2025-26
15. Type of assurance obtained	Not Applicable

II. Products/services

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

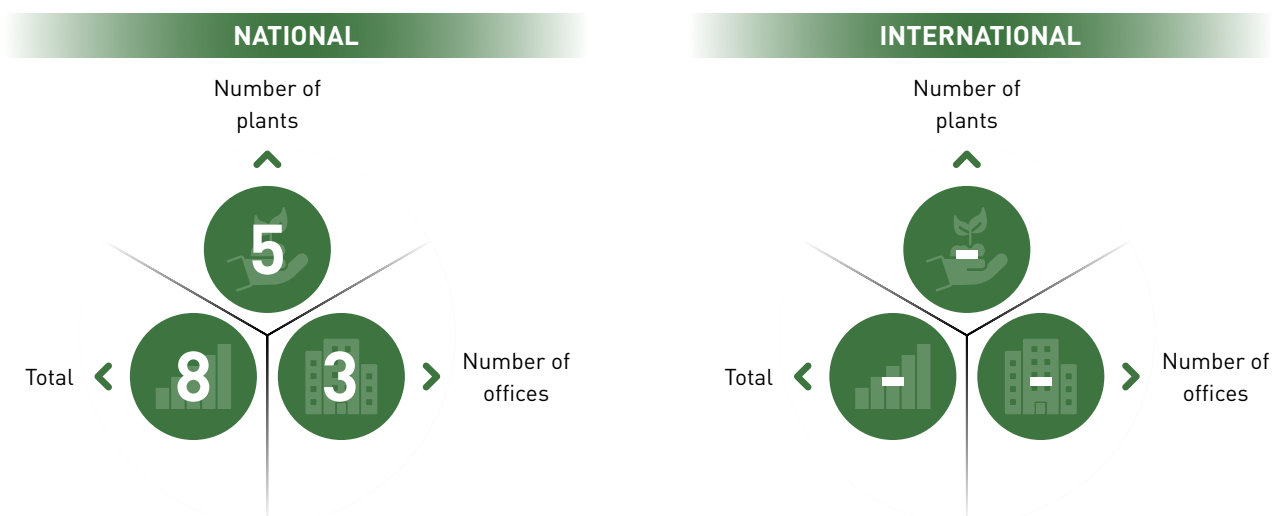
S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Coke & Refined Petroleum Products	99.19%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Petroleum specialty products with 'Panoil' brand	19201 (Manufacturer of refined petroleum products)	99.19%

III. Operations

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



19. Markets served by the entity:

a. Number of locations



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

Exports comprised 35.69% of the total turnover of the Company for the financial year 2025-26.

c. A brief on types of customers

Panama Petrochem Limited serves a wide range of specialty petroleum products to various industries around the world, primarily focusing on business-to-business segments. Our customer base includes companies manufacturing cosmetics, pharmaceuticals, rubber tires and other rubber products, electrical transformers, lubricant blenders and offset printing ink.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	134	108	80.60%	26	19.40%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	134	108	80.60%	26	19.40%

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% [B / A]	No. (C)	% [C / A]
WORKERS						
4.	Permanent (F)	57	56	98.25%	1	1.75%
5.	Other than Permanent (G)	96	92	95.83%	4	4.17%
6.	Total	153	148	96.73%	5	3.27%



b. Differently abled Employees and workers:

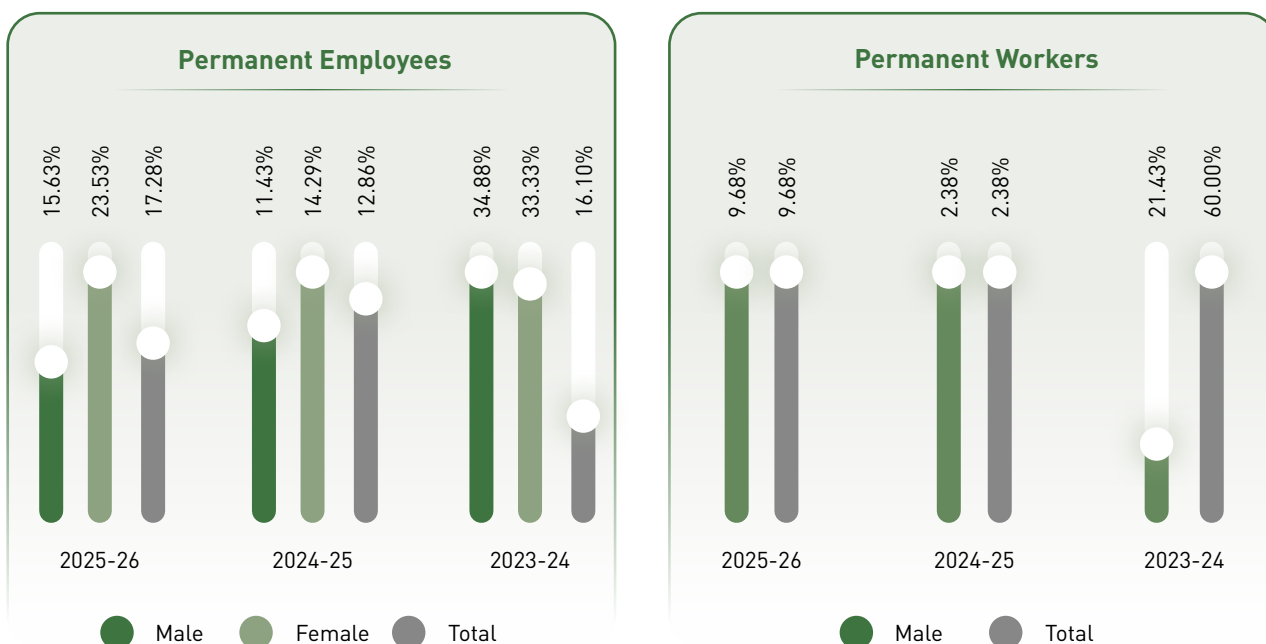
S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-
WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent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

21. Participation/Inclusion/Representation of women

S. No.	Particulars	Total (A)	No. and percentage of Females	
			No. (B)	% (B / A)
1.	Board of Directors	8	1	12.50%
2.	Key Management Personnel (*)	6*	1	16.67%

* Note—The above details of KMP and Board of Directors are as on March 31, 2026. KMPs includes the members of the Board.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)



	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.63%	23.53%	17.28%	11.43%	14.29%	12.86%	34.88%	33.33%	16.10%
Permanent Workers	9.68%	-	9.68%	2.38%	-	2.38%	21.43%	-	60.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

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

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No) : Yes

(ii) Turnover (in ₹) ₹ 1775.72 Cr.

(iii) Net worth (in ₹) ₹ 932.62 Cr.

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If Yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	https://panamapetro.com/old-site/wp-content/uploads/2015/12/Whistle-blower-policy.pdf	-	-	-	-	-	-
Investors (other than shareholders)	NA	-	-	-	-	-	-	-
Shareholders	Yes	http://panamapetro.com/contact-for-investor-grievances/	-	-	-	-	-	-
Employees and workers	Yes	https://panamapetro.com/old-site/wp-content/uploads/2015/12/Whistle-blower-policy.pdf	-	-	-	-	-	-
Customers	Yes	https://panamapetro.com/old-site/wp-content/uploads/2015/12/Whistle-blower-policy.pdf	-	-	-	-	-	-
Value Chain Partners	Yes	https://panamapetro.com/old-site/wp-content/uploads/2015/12/Whistle-blower-policy.pdf	-	-	-	-	-	-

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety	Risk	Employee health and safety is a non-negotiable priority for the Company. We are committed to providing a safe and secure workplace that safeguards our people's physical and mental well-being, while supporting their development and growth. We also recognize that accidents and incidents can impact operational continuity, making a strong safety culture essential to both employee welfare and business resilience.	The Company's safety and operational risk management framework plays a pivotal role in maintaining a safe working environment. We have established structured systems to continually review and strengthen our operations. To support this, the Company conducts multiple training programs throughout the year, as detailed in other sections of this report.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Business Ethics, Integrity, Transparency & Code of Conduct	Opportunity	Ethics and integrity are foundational values that have earned the Company the trust of its stakeholders and strengthened its reputation. They are essential to ensuring that we conduct business in a transparent and responsible manner, supporting long-term resilience and success. To uphold these standards, the Company has instituted robust Board-level policies and operationalized them through well-defined SOPs across all areas of operations, ensuring consistent adherence to our principles, ethics, and code of conduct.	Not applicable	Positive
3	Waste Management	Opportunity	The Company generates minimal operational waste and discharge, as its processes largely operate in a closed-loop manner. For any residual waste that may arise, comprehensive standard operating procedures are in place to ensure safe handling, segregation, and disposal in compliance with applicable requirements. Additionally, the Company implements fully compliant Extended Producer Responsibility (EPR) practices Not applicable Positive Not applicable Positive wherever relevant.	Not applicable	Positive
4	Sustainability Risks	Risk & Opportunity	The Company is exposed to climate change risks and geopolitical risks which have a direct impact on the business over a long-term horizon.	The Company has established a robust ESG risk analysis and monitoring framework under the direct oversight of the Board's Risk Management Committee. We have identified key short- and long-term sustainability risks, mapped them to relevant business functions, and are developing detailed mitigation plans to manage exposures such as GHG emissions, waste management, and broader ESG compliance requirements. In parallel, we are strengthening engagement across our value chain to build awareness and alignment on these risk mitigation measures. The Company also actively monitors its input fuel mix to support progress toward its emissions reduction targets.	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Human Rights & Diversity	Opportunity	Strict adherence to the Human Rights policy and having in place strong redressal mechanisms in this regard outlines the Company's commitment, help in retaining and attracting work force.	Not applicable	Positive
6	Community Development	Opportunity	The Company's robust community engagement within its operational areas, coupled with its commitment to addressing social issues through diverse CSR initiatives, outlines the Company's commitment to sustainability while also serves as a significant advantage in establishing a strong market presence and fostering goodwill of the Company. The primary focus of the CSR policy & practices of the Company is local engagement and local impact in its area of operations.	Not applicable	Positive
7	Regulatory Governance and Compliance	Opportunity	Compliance is the foundation to build the reputation of the Company. It is important to continue to ensure regulatory compliance to build trust among stakeholder groups while also ensuring that operations are in line with relevant and applicable laws to avoid legal violations.	Not Applicable	Positive
8	Privacy and data Security	Risk & Opportunity	In today's business landscape, cyber threats pose a genuine risk to conducting operations securely with stakeholders. It's essential to ensure a secure environment for business transactions without compromising the digital security of information and data essential in the day-to-day operations of the company.	The Company has constituted a Risk Management Committee with the responsibility of overseeing the risks faced by the Company pertaining to Cyber Security and proposing appropriate corrective measures to address them.	Negative



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)					Yes				
b. Has the policy been approved by the Board? (Yes/No)					Yes				
c. Web Link of the Policies, if available						https://panamapetro.com/investor/1/65432109			
2. Whether the entity has translated the policy into procedures. (Yes / No)					Yes				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					Yes				
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.					ISO 9001:2015; ISO 14001:2015; ISO 45001:2018; IS 335/2018 FDA; G/9251SCC; EU ISCC PLUS				
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has anchored its ESG strategy around the three core pillars of sustainability—carbon footprint, water footprint, and waste footprint. Our ESG goals have been defined through a rigorous baselining exercise, which established clear reference points for our carbon, water, and waste performance. In line with our environmental priorities, we are working towards a Zero Discharge manufacturing process and aim to generate negligible hazardous waste, supported by a robust waste management framework. Scope 1 and Scope 2 emissions remain a key focus area of our sustainability agenda. Accordingly, against the 2024–25 baseline, we have set a target to reduce our Scope 2 footprint by transitioning to 50% renewable energy consumption. On the social and value chain engagement front, we uphold a strong code of conduct across our interactions with employees, customers, and suppliers, while progressively extending ESG practices to our value chain partners. The Company is also initiating rainwater conservation and reuse measures, wherever feasible and permissible across its plant locations. Further, we have set a near-term objective to achieve a GOLD rating under the EcoVadis sustainability assessment.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has completed its baselining for the above ESG goals with the baseline year set at FY 2024-25 for its scope 1, scope 2 and water footprint. Against its baseline, the Company has achieved an almost 25% reduction in its Scope 1 emissions in the current reporting year which is a huge reduction year on year.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Sustainability is central to our company's ethos and is embedded in the way we manage our business and operate every day. We recognize that responsible environmental stewardship and meaningful stakeholder engagement are essential to long-term resilience and success. Our vision is to build an enduring organization that safeguards the well-being of our people while protecting the planet. Guided by ESG principles, we measure, monitor, and continuously improve our performance, with a strong focus on reducing our carbon footprint in preparation for emerging regulatory expectations. Integrity and ethical conduct shape every decision we make. Through daily actions, we strive to conserve resources, minimize waste. This Sustainability Report provides a transparent view of our ESG journey—highlighting our progress, priorities, and commitments as we work to create lasting, shared value for all stakeholders.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name : SAMIR RAYANI DIN : 00002674 Designation : MANAGING DIRECTOR & CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes! The Board's Risk Management Committee and CSR Committee are mandated to guide and approve the Company's decisions on sustainability and CSR matters. These committees also oversee the Company's stakeholder engagement process and periodically recalibrate our approach in response to evolving external conditions and strategic developments.								

10. a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action. Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances.	The Board/Board Committees meet on a periodic basis to review the performance of the Company's initiatives, targets and future plan of action in this regard.								

b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action. Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Performance of the Company against the policies and its compliance with necessary statutory requirements in this regard are reviewed by the Board/ Board Committees on an annual basis and as and when required.								

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
An independent evaluation on the working of the policies of the Company has been carried out by an external agency- M/s Ramanlal G Shah & Co.								

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

Not applicable, as the policies of the Company covers all the NGRBC Principles.



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1



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

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors and Key Managerial Personnel	4	The Company's Board of Directors and Key Managerial Personnel regularly participate in comprehensive training programs to strengthen their knowledge and capabilities. These sessions typically cover sustainability risk management, updates in sustainability reporting, stakeholder and social engagement, and briefings on current regulatory requirements, along with other operational and strategic implementation topics	100%
Employees other than BoD and KMPs	95	Employees participate in regular training and awareness programs across key areas, including health and safety, human rights (including POSH), 5S and HIRA practices, and advanced Excel skills.	70.89%
Workers	46	Workers routinely undergo trainings on safe working methods, including HIRA practices, safety precautions, emergency response procedures, and promoting a safe work environment.	80.70%

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

	NGRBC Principle	Name of the regulatory/ enforcement	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/ Fine					
Settlement			NIL		
Compounding fee					
Non-Monetary					
Imprisonment			NIL		
Punishment					

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

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

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

Yes. Anti-corruption and anti-bribery, supported by fair, transparent, and accountable business practices, are core to the Company's management philosophy and a key material topic across the organization. To reinforce this commitment, the Company has implemented a comprehensive anti-corruption and anti-bribery policy that applies across all verticals and at every level of management, and is hosted on the website of the Company: <https://panamapetro.com/investor/1/65432109>

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors		
KMPs		
Employees		NIL
Workers		

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

Particulars	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs			NIL	

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

As a result of consistently adhering to robust and ethical business practices, neither the Company nor any of its employees or workers faced any fines, penalties, or regulatory/legal actions related to corruption or conflicts of interest during the period under review. Accordingly, no corrective actions were required.

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

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	61	46

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	10.61%	1.52%
	b. Number of trading houses where purchases are made	98	49
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	74.24%	74.41%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	5.21%	1.50%
	b. Number of dealers / distributors to whom sales are made	443	121
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	50.20%	58.27%

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

PRINCIPLE 2



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

Essential Indicators

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

	2025-26	2024-25	Details of improvements in environmental and social impacts
Sustainable R&D	-	-	Nil
Sustainable Capex	-	-	Nil

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

Yes

- If yes, what percentage of inputs were sourced sustainably?

The Company has established a sustainable sourcing policy and operating practices that evaluate suppliers against key sustainability parameters, enabling 100% of the Company's purchases to be sourced in a sustainable manner. In addition, the Company implemented a structured supplier engagement mechanism during the year to strengthen alignment with our ESG expectations and practices.

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

Panama Petrochem Limited has undertaken numerous steps to improve waste management practices across its operations. All operations are optimized in order to minimize waste generation through the evaluation of various options of resources, technologies and processes. These processes are also continuously reviewed and improvement initiatives are suitably undertaken and monitored for effectiveness. The Company has in place a comprehensive standard operating procedure for handling and safe disposal of the waste generated. Oils Manufactured by the company are used as a raw material in various industries. Therefore reusing, recycling and disposing of our oil is minimal. However, Ministry of Environment, Forest and Climate Change has issued draft notification for re-refining of used-oil. We expect that over next few years, the infrastructure and required regulation will ensure adequate collection of used-oil for re-refining. Panama's action plan for the below categories: (i)Plastic Waste: We ensure compliance with the Plastic Waste Management (PWM) Rules 2016, and follow the Extended Producer Responsibility (EPR) regulation to manage the downstream operations' plastic packaging waste, and these are recycled through a certified re-cycler. (ii)E-Waste: We have tie-ups with certified e-waste recyclers who specialize in safely dismantling and processing electronic devices. The recyclers extract valuable materials such as metals, plastics, and glass, which can be reused/ recycle in the manufacturing of new products. (iii)Hazardous waste: The operations of the Company generate minimal hazardous wastes. During the year, the Company has also successfully complied with EPR regulations for used oil under the extant EPR regulations.

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

Yes

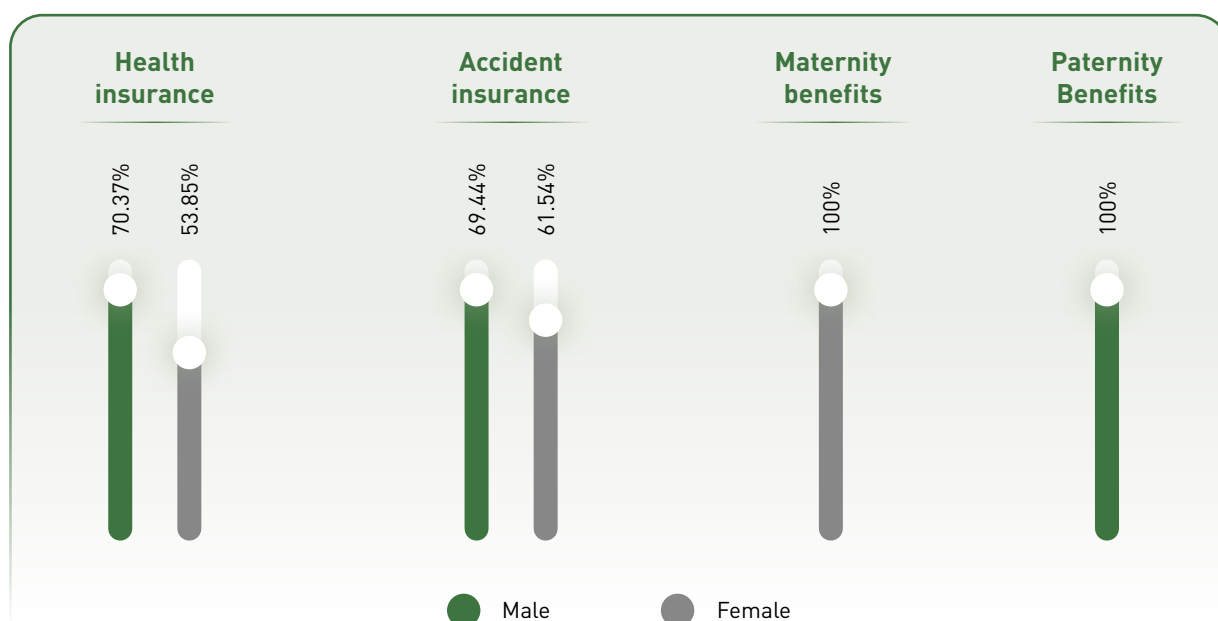
PRINCIPLE 3



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

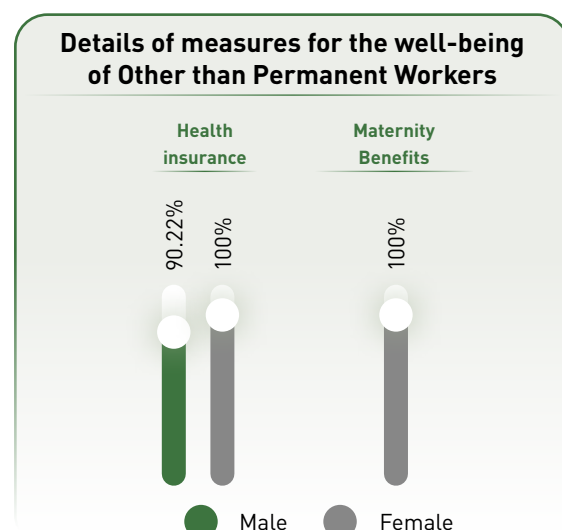
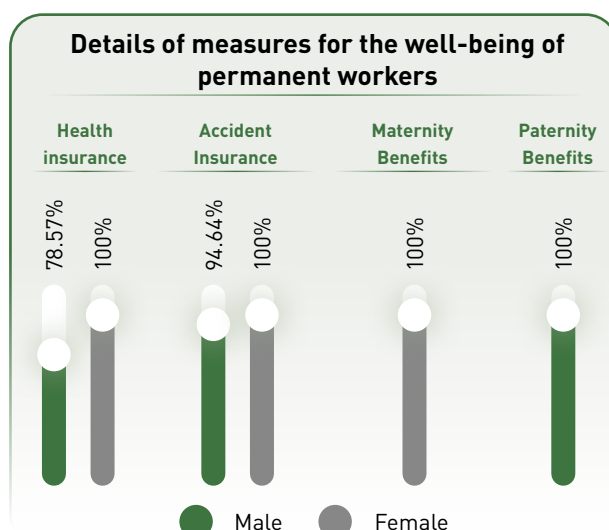
Essential Indicators

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



Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number C	% (C/A)	Number (D)	% (D/A)	Number E	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	108	76	70.37%	75	69.44%	-	-	108	100.00%	-	-
Female	26	14	53.85%	16	61.54%	26	100.00%	-	-	-	-
Total	134	90	67.16%	91	67.91%	26	19.40%	108	80.60%	-	-
Other than permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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



Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% [B/A]	Number (C)	% [C/A]	Number (D)	% [D/A]	Number (E)	% [E / A]	Number (F)	% [F / A]
Permanent workers											
Male	56	44	78.57%	53	94.64%	-	-	56	100.00%	-	-
Female	1	1	100.00%	1	100.00%	1	100.00%	-	-	-	-
Total	57	45	78.95%	54	94.74%	1	1.75%	56	98.25%	-	-
Other than permanent workers											
Male	92	83	90.22%	-	-	-	-	-	-	-	-
Female	4	4	100.00%	-	-	4	100.00%	-	-	-	-
Total	96	87	90.63%	-	-	4	4.17%	-	-	-	-

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

	2025-26	2024-25
% of costs incurred on well-being / Total Revenues	0.01%	0.06%

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

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	83.58%	96.49%	Yes	61.31%	97.92%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	28.35%	29.82%	Yes	29.93%	37.50%	Yes

3. Accessibility of workplaces

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

Yes. The premises and offices of the Company are conducive to access by differently abled people.

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

While the Company currently does not have employees with disabilities, we remain firmly committed to building a workplace grounded in equality, dignity, and fairness—principles that sit at the heart of our values. Reflecting this commitment, our Human Rights Policy and HR Manual (available on the Company intranet) set out clear objectives to prevent bias and discrimination across all operations and people practices, and to progressively strengthen diverse representation within our workforce.

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

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

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	The Company has established structured and transparent mechanisms for reporting and addressing grievances of any nature, with clear escalation pathways up to senior leadership where required. Backed by a robust Whistle-Blower Policy and a comprehensive Human Rights Policy—designed to respect cultural and occupational sensitivities—employees and workers are empowered to report unethical conduct, incidents, or policy violations without fear of retaliation. In addition, the Company has constituted an Internal Complaints Committee (ICC) to handle POSH-related matters and ensure that every grievance is addressed with fairness, sensitivity, and confidentiality.

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

Since there are no unions/associations at any level of employment in the organization, this is not applicable to the Company.

8. Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	108	76	70.37%	57	52.78%	107	76	71.03%	54	50.47%
Female	26	19	73.08%	13	50%	30	15	50.00%	16	53.33%
Total	134	95	70.90%	70	52.24%	137	91	66.42%	70	51.09%
Workers										
Male	56	45	80.36%	29	51.79%	48	28	58.33%	22	45.83%
Female	1	1	100%	0	-	-	-	-	-	-
Total	57	46	80.70%	29	50.88%	48	28	58.33%	22	45.83%

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	108	97	89.81%	107	100	93.46%
Female	26	23	88.46%	30	28	93.33%
Total	134	120	89.55%	137	128	93.43%
Workers						
Male	56	56	100%	48	41	85.42%
Female	1	1	100%	-	-	-
Total	57	57	100%	48	41	85.42%

10. Health and safety management system:

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

Yes. Panama Petrochem Limited has implemented a comprehensive Occupational Health and Safety (OHS) Management System across all operational locations. The Safety Management Framework applies to all business activities and is aligned with the requirements of ISO 45001:2018. Coverage is 100%, encompassing all employees and workers.

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

The Company does not manufacture or generate any significant hazardous products or by-products as part of its operations. Nevertheless, it has established robust mechanisms to proactively identify and manage work-related hazards through systematic hazard identification and risk mapping, supported by impact assessments and the implementation of appropriate control measures.

Risk and hazard assessments are conducted across both routine and non-routine activities. The Company applies a range of proven risk assessment and management techniques to identify, evaluate, and mitigate hazards, while ensuring strict adherence to prescribed safety limits and standards.

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

Yes. The Company has a well-established Standard Operating Procedure (SOP) in place for all workmen of the organization to report work related hazards which are duly monitored and corrective measures are adopted thereupon with the perspective of eliminating hazards and preventing such incidents. Additionally, the trainings and awareness modules conducted equip our employees/workmen to report or remove themselves from such risks which they believe could cause injury.

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

Yes. All employees / workers of the Company have access to non-occupational medical and healthcare services by way of insurance policies or under ESIC schemes.

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

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

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

Upholding the safety, security and wellbeing of all our employees and workers is our top priority, regular and consistent safety briefings and trainings are conducted. Regular inspections ensure compliance with statutory and regulatory guidelines on EHS. Due to the vigilant mechanisms as described, we have been able to ensure a zero incident working with zero Lost Time Injury Frequency Rate.

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

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety						NIL

14. Assessments for the year:

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

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

There have been no incidents during the year where safety of any employee/worker was adversely impacted in any manner.

PRINCIPLE 4


Businesses should respect the interests of and be responsive to all its stakeholders
Essential Indicators
1. Describe the processes for identifying key stakeholder groups of the entity.

The Company classifies its stakeholders into two broad segments: internal and external. We have established structured processes to identify and engage with each stakeholder group, enabling us to better understand their needs and expectations and to shape sustainable strategies that support the Company's long-term growth. Stakeholder engagement also plays a vital role in identifying and managing business risks and opportunities. The Company has identified customers, communities, business partners/vendors/contractors, employees and contract workers, regulatory bodies, and shareholders as key stakeholders who are central to our success and to advancing our sustainability journey.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Email, Website, Customer Feedback and Survey, Grievance Redressal & Others	Ongoing	Panama Petrochem Limited places customer feedback at the heart of continuous improvement—strengthening product quality and ensuring our offerings remain closely aligned with evolving customer expectations. We are committed to transparency and provide clear, reliable information on our products and sustainability initiatives to support informed decision-making. Customer insights also serve as a catalyst for innovation, guiding the development of more sustainable products and processes, and reinforcing our commitment to customer satisfaction and consistently high standards of service.
Communities	Yes	Website; CSR Activities, and others	Ongoing	The Company places a high priority on responsible practices, including meaningful engagement with CSR beneficiaries and the adoption of eco-friendly operations that promote the health and well-being of the broader community. Our CSR initiatives are designed to create focused, measurable community impact while strengthening our commitment to environmental stewardship.
Business Partners/ vendors/ Contractors	No	Website, Business Conferences, Trade fairs & Others	Ongoing	The Company prioritizes long-term, value-driven partnerships with suppliers and other business partners. This approach strengthens responsible sourcing, ensures consistent product quality, and supports the identification of new business opportunities. It also reinforces transparency and ethical practices across the supply chain, while helping us identify and manage material issues that may influence supply, demand, and overall business continuity.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & Workers	No	Email, Notice Board, Grievance Redressal, Employee/ Workmen Review	Ongoing	As employees and workmen are integral to the organization, the Company consistently focuses on career development, diversity and equal opportunity, health and safety, and skill upgradation. We also maintain effective mechanisms to address and resolve any grievances or concerns raised by employees and workmen in a timely and fair manner.
Regulatory Bodies	No	Website, Annual Reports, Quarterly Submissions & Others	Ongoing	Timely and effective compliance with regulatory and legal requirements reinforces ethical conduct across the Company and enables proactive identification and management of regulatory risks. This approach ensures adherence to applicable laws, supports accurate and timely reporting, and helps minimize the likelihood of penalties or non-compliance.
Shareholders	No	Website, Email, Annual Reports, Earnings Call, Grievance Redressal, Investor Presentations & Others	Ongoing	The Company engages with its shareholders to provide a clear and comprehensive view of performance, including updates on business growth, profitability, and other key matters such as strategic priorities, plans, and proposals for the near term. Shareholders are kept informed through multiple communication channels and receive regular updates on financial results, significant corporate developments, and shareholder returns.

PRINCIPLE 5



Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. employees/ workers covered (D)	% (D / C)
Employees						
Permanent	134	77	57.46%	137	61	44.53%
Other than permanent	-	-	-	-	-	-
Total Employees	134	77	57.46%	137	61	44.53%
Workers						
Permanent	57	36	63.2%	48	24	50%
Other than permanent	96	39	40.63%	89	25	28.09%
Total Workers	153	75	49.02%	137	49	35.77%

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

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E / D)	No. (F)	% (F / D)
		Employees								
Permanent Employees	134	0	0	134	100.00%	137	-	-	137	100.00%
Male	108	0	0	108	100.00%	107	-	-	107	100.00%
Female	26	0	0	26	100.00%	30	-	-	30	100.00%
Other than Permanent Employees										
Male	-	-	-		-	-	-	-	-	-
Female	-	-	-		-	-	-	-	-	-
		Workers								
Permanent workers	57	-	-	57	100.00%	48			48	100.00%
Male	56	-	-	56	100.00%	48	-	-	48	100.00%
Female	1	-	-	1	100.00%	-	-	-	-	-
Other than Permanent workers	96	-	-	96	100.00%	89	-	-	89	100.00%
Male	92	-	-	92	100.00%	86	-	-	86	100.00%
Female	4	-	-	4	100.00%	3	-	-	3	100.00%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	46,425,000	-	-
Key Managerial Personnel (*)	1	6,809,553	1	5,066,661
Employees other than BoD and KMP	108	399,718	26	324,094
Workers	56	231,731.50	1	1,87,817

* Note-Excluding the remuneration paid to Directors who fall under the category of KMP's (Key Managerial Personnel)

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	5.04%	13.90%

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

Yes

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

Panama Petrochem Limited upholds human rights as a fundamental commitment and maintains a zero-tolerance stance toward violations, harassment, discrimination, or any form of misconduct. We are dedicated to fostering a workplace that is safe, respectful, and inclusive for everyone. To translate this commitment into action, the Company has instituted strong internal safeguards, including comprehensive Human Rights and Whistleblower policies that set clear expectations, reporting channels, and protections against retaliation. A dedicated Internal Complaints Committee (ICC) is in place to address POSH-related matters with confidentiality, sensitivity, and fairness. All grievances are taken seriously, promptly investigated, and addressed through appropriate corrective and disciplinary measures wherever required. Oversight and accountability for grievance handling rests with the Head of Human Resources, who is responsible for ensuring concerns are duly verified, documented, and resolved effectively and in a timely manner.

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

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL			NIL		
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights related issues						

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

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

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

Panama Petrochem Limited is firmly committed to maintaining a workplace that is safe, inclusive, and free from discrimination and harassment. The Company has established a robust Vigil Mechanism/Whistle Blower Policy with strong safeguards that encourage employees to report concerns confidentially and without fear of retaliation. The mechanism provides clear escalation channels, offering direct access not only to the respective Head of Department, but also to the Managing Director, and, in exceptional cases, to the Chairman of the Audit Committee. Further, the Company has constituted a dedicated Internal Complaints Committee (ICC) to address matters related to sexual harassment in accordance with applicable laws. The ICC ensures that complaints are handled with fairness, sensitivity, confidentiality, and timely action, reinforcing our commitment to a respectful and non-discriminatory work environment for all.

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

Yes. The Company, as part of its value chain partner engagement exercise, has covered human rights as an integral element in its contracts with vendors and suppliers wherever applicable.

10. Assessments conducted:

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

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

The Company has implemented a system of continuous internal assessment on the above issues and there were no risks/ concerns identified in the assessments on the above-mentioned issues. The Company is in compliance with all laws and regulations as applicable from time to time.

PRINCIPLE 6



Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	79,90,19,136 KJ	47,67,09,840 KJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	79,90,19,136 KJ	47,67,09,840 KJ
From non-renewable sources		
Total electricity consumption (D)	3,21,80,17,860 KJ	2,98,51,66,440 KJ
Total fuel consumption (E)	544,04,80,353 KJ	6,23,54,39,173.613 KJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non renewable sources (D+E+F)	8,65,84,98,213 KJ	9,22,06,05,613.61 KJ
Total energy consumed (A+B+C+D+E+F)	9,45,75,17,349 KJ	9,69,73,15,453.61 KJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	48,207.8 KJ / L INR	54,610.67 KJ / L INR
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	9,80,546.7 KJ / L INR / USD \$	12,49,492.11 KJ / L INR / USD \$
Energy intensity in terms of physical output	48604.78 KJ/MT	50866.48 KJ /
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External evaluation was carried out by M/s. Ramantal G. Shah & Co.

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

Not applicable

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		-
(ii) Groundwater	280 KL	361 KL
(iii) Third party water	7,026 KL	4,533 KL
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	7,306 KL	4,894 KL
Total volume of water consumption (in kilolitres)	7,306 KL	4,894 KL
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	37.24 Litres / L INR	26.34 Litres / L INR
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	757.46 Litres / USD \$	602.63 Litres / USD \$
Water intensity in terms of physical output	37.55 L/MT	24.54 L/MT
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External evaluation was carried out by M/s. Ramanlal G. Shah & Co.

4. Provide the following details related to water discharged:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	NA	NA
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External evaluation was carried out by M/s. Ramanlal G. Shah & Co.

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

Yes. Recognizing the importance of water as a resource, we undertake several measures to optimize consumption and reduce resultant wastewater generation.

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

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	mg/m3	24.65	32.00
SOx	mg/m3	17.35	19.50
Particulate matter (PM)	mg/m3	45.83	104.50
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External evaluation was carried out by M/s. Ramanlal G. Shah & Co.

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

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	389.08	524.29
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	703.65	588.74
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.003587	0.006268

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.07295 tCO ₂ e / international USD \$	0.14341374 tCO ₂ e / international USD \$
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.00561584 tCO ₂ e / MT	0.00583833 tCO ₂ e / MT
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External evaluation was carried out by M/s. Ramanlal G. Shah & Co.

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

The Company is considering interventions to reduce its GHG footprint across scope 1 and scope 2 emissions. Considering the geographical spread of the Company's customers across the globe, reduction in GHG emissions would play a vital role in bringing the Company on a firm footing of sustainability coupled with its keen awareness and measures for water and waste management.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	11.13 MT	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0.79 MT	0.93 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	80.14 MT
Total (A+B + C + D + E + F + G + H)	11.92 MT	81.07 MT
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.06076 kg / L INR	0.53812039 kg / L INR
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1.236 kg/ L INR / USD \$	12.312 kg/ L INR / USD \$
Waste intensity in terms of physical output	0.06126015 kg/ MT	0.501225907 kg / MT
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	11.13 MT	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	11.13 MT	
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.79 MT	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	0.79 MT	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External evaluation was carried out by M/s. Ramanlal G. Shah & Co.

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

The Company recognizes waste management as one of the 3 key elements of sustainability i.e. GHG footprint, waste management and water footprint. Consistent initiatives are implemented to ensure minimal generation of waste.

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

Not Applicable

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

Not Applicable

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

Yes. The Company is in compliance with all environmental laws as applicable to the Company from time to time.

PRINCIPLE 7



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

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
Panama Petrochem Limited is affiliated with 13 trade & industry chambers/ associations as below.
- b. List the trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Export Promotion Council for EOU's & SEZ's Units	National
2	Federation of Indian Export Organisations	National
3	Bombay Chamber of Commerce	National
4	All India Rubber Industries	National
5	Green Gene Enviro Protection and Infrastructure Limited	International
6	All India Printing Ink Association	National
7	Indian Rubber Manufacturing and Research Association	National
8	Department of Scientific and Industrial Research (DSIR)	National
9	Bureau of Indian Standards (BIS)	National
10	Food and Drug Administration(FDA)	National
11	HALAL	International
12	BP/USP	International
13	ISCC EU INTERNATIONAL ISCC PLUS	International

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

Name of authority	Brief of the case	Corrective action taken
No Such Action taken/underway		

PRINCIPLE 8



Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain
-----------------------------------	----------------------	----------------------	--	---------------------------------------

Not Applicable

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
--------	--	-------	----------	---	--------------------------	---

Not Applicable

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

All the stakeholders of the Company including the community members at large, can raise their complaints/ concerns through the e-mail id's provided at the Company's website, which is monitored and addressed thereupon, in a timely manner ensuring proper escalation of matters and their fair resolution as appropriate. The Stakeholders can connect with the company through the following link: <http://panamapetro.com/ho-details/> OR <http://panamapetro.com/contact-for-investor-grievances/>

Additionally, the Company has in place a Global Whistle Blower Policy which is available on the website of the Company for easy access to all the stakeholders of the Company.

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

Directly sourced from MSME's/small producers

5.44%

FY 2025-26

1.16%

FY 2024-25

Directly sourced from within India

24.11%

FY 2025-26

20.89%

FY 2024-25

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

FY 2025-26 (Current Financial Year)

NIL

Rural

81.41%

Semi-urban

NIL

Urban

18.59%

Metropolitan

FY 2024-25 (Previous Financial Year)

NIL

Rural

81.50%

Semi-urban

NIL

Urban

18.50%

Metropolitan

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	Nil	Nil
Semi-urban	81.41%	81.50%
Urban	Nil	Nil
Metropolitan	18.59%	18.50%

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

PRINCIPLE 9


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

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

A well-established system is in place for dealing with complaints/feedback. Customers can connect with the Company through multiple channels including email, telephone, website, feedback forms, etc. All complaints/ concerns are appropriately addressed and all efforts are taken to resolve the same in a timely manner. The Customers also have access to the Global Whistle Blower Policy of the Company, which has been made available on the Website of the Company.

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

Name of the trade and industry chambers/ associations	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	Nil	-	-	Nil
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential services	-	-		-	-	
Restrictive Trade Practices	-	-		-	-	
Unfair Trade Practices	-	-		-	-	
Other	5	5		-	-	

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

	Product	Number	Reasons for recall
Voluntary recalls	There have been no product recalls during the year		
Forced recalls			

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

Yes. The organization has established robust systems and guidelines to address cybersecurity and data privacy risks. A range of measures are implemented to manage cybersecurity threats, including defined policies and procedures, deployment of security and defence tools, and continuous monitoring to identify and respond to potential incidents in a timely manner. Our cybersecurity and privacy framework is accessible on the Company's intranet and outlines the privacy compliance approach, available resources, best practices for handling personal data, and channels for raising concerns. Oversight of cybersecurity risk is further strengthened through a dedicated Risk Management Committee, which monitors emerging threats, reviews the Company's risk posture, and recommends appropriate corrective and preventive actions. In addition, the Company has secured a dedicated cyber insurance cover to mitigate potential financial and operational impacts arising from cybersecurity incidents.

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

There have been no instances requiring corrective action in such areas. However, ethical conduct being our top priority, we ensure adherence to the highest standards in all aspects of business operations, marketing, and data privacy. Our zero- tolerance policy ensures that any unethical activities or malpractices are swiftly addressed. Moreover, our comprehensive compliance framework exceeds regulatory requirements, proactively identifying and mitigating potential risks.

7. Provide the following information relating to data breaches

a. Number of instances of data breaches	-
b. Percentage of data breaches involving personally identifiable information of customers	-
c. Impact, if any, of the data breaches	-

The background features a dynamic, abstract splash of golden liquid, possibly honey or oil, moving from the bottom left towards the top right. The liquid is depicted with soft, flowing lines and is surrounded by numerous small, glowing bubbles of varying sizes, creating a sense of movement and energy. The overall color palette is warm, dominated by shades of gold and light orange.

Financial **Statements**

Independent Auditor's Report

To
The Members of
Panama Petrochem Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Panama Petrochem Limited ("the Company")**, which comprises of the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Inventory Existence: The Company recognized inventory of ₹ 465.01 crores as at 31 March 2026. Inventory is held at various locations across India. Within each location, inventory is stored in warehouses, tanks, containers and tanks attached to the Bonded Custom Warehouse. This is a key audit matter because of the • Significance of the inventory balance to the statement of financial position and, • Complexity involved in determining inventory quantities on hand due to the number, conversion from Ltr. to Kgs., location and diversity of inventory storage locations, inventories lying with third parties etc.	We have attended inventory counts at locations, which are selected based on financial significance and risk. For locations attended, we performed the following procedures at each site: • Selected a sample of inventory items and compared the quantities we counted with the book balance. • Observed a sample of managements inventory count procedures to assess compliance with Company Policy and • Made enquiries regarding obsolete inventory items and inspected the condition of items counted. • Tested whether necessary adjustments are recorded in the financial statements for all material differences arising from physical stock counts. • Evaluated the design and implementation of the controls over physical verification of inventories and tested the operating effectiveness of the controls during the year.

Sr. No.	Key Audit Matter	Auditor's Response
2	Assessment of contingent liabilities and provisions related to Taxation, Litigations and claims:	- For stocks at third party warehouses, obtained confirmations, and as appropriate performed roll-back procedures to tally with stock quantities at the year end, on a sample basis. - Verified the analytical reviews performed by the management such as consumption analysis and stock movement analysis for the year for raw material and finished goods at factories, on a sample basis.
	- The company has material uncertain tax positions including matters under dispute relating to direct tax and indirect tax which involves significant judgment to determine the possible outcome of disputes. - Assessment of contingent liabilities disclosure requires Management to make judgments and estimates in relation to the issues and exposures. Whether the liability is Inherently uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective. - The assessment of the existence of the present legal or constructive obligation, analysis of the probability of the related payment and analysis of a reliable estimate, requires management's judgement to ensure appropriate accounting or disclosures. - Due to the level of judgement relating to recognition, valuation and presentation of provisions and contingent liabilities, this is considered to be a key audit matter	Our audit procedure included following: - Obtaining from the management details of matters under dispute including ongoing and completed tax assessments, demands and other litigations. - Evaluation and testing of the design of internal controls followed by the Company relating to litigations, open tax positions for direct and indirect taxes and other matters and process followed to decide provisioning for the said liabilities or disclosure as Contingent Liabilities. - Discussing with Company's legal and taxation consultant for sufficient understanding of on-going and potential legal matters impacting the Company and the possible outcomes for the same. - We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters. - We have relied on the opinions of the Company where Company has considered that the possibility of cash outflow is remote. - We discussed the status and potential exposures in respect of significant litigation and claims with the Company's Management including their views on the likely outcome of each litigations, claims and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors. We assessed the adequacy of disclosures made.

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

The Company's Management and the Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and auditor's report thereon. The Company's Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial

Statements or our knowledge obtained 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 the Board of Directors for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section

133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal

financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
 - 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 read with schedule V 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor's) Rules, 2014 as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 9 (f) to the Standalone Financial Statements:
 (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the

- members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No. 114003

UDIN: 26114003SWMHDS6785

Place: Mumbai

Date: 29 May, 2026

Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Panama Petrochem Limited of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Standalone Financial Statements of **Panama Petrochem Limited** (“the Company”) as of March 31, 2026 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls 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 and to the best of our information and according to the explanations given to us, the Company, have in all material respects, an adequate internal financial controls system over

financial reporting with reference to Standalone Financial Statements 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 ICAI.

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No. 114003

UDIN: 26114003SWMHDS6785

Place: Mumbai

Date: 29 May, 2026

Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Panama Petrochem Limited** of even date.)

- i. In respect of property, plant and equipment and intangible assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) As informed to us, the property, plant and equipment’s have been physically verified by the management during the period according to a phased program. In our opinion, such program is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification by the management.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / 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. In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the Standalone Financial Statements, the lease agreements are in the name of the Company.
 - 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 thereunder
- ii. In respect of its inventories:
 - (a) The inventories except for goods in transit were physically verified by the management at reasonable intervals at the end of each month and for year-end. We have received confirmation with respect to inventories lying with third parties. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification is appropriate. Further, on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - (b) According to the information and explanations given to us and based on the records produced, company has availed working capital limits from banks and financial institutions on the basis of security of current assets. There were no material discrepancies observed in books of accounts and amounts reported in quarterly statements submitted by the company to banks.
- iii.
 - a) During the year, the Company has not provided loans or provided advances in the nature of loans or provided security to any other entity, however provided guarantee, to bank for wholly owned subsidiary in respect of which Corporate Guarantee outstanding balance at the end of the year is ₹159.97 crores (\$ 1.69 Crores).
 - b) In our opinion, the investments made during the year in the shares of listed companies and guarantee provided are, prima facie, not prejudicial to the Company’s interest.
 - c) The Company has not provided loans or provided advance in nature of loans and therefore reporting under clause 3(iii) (c) to 3(iii) (f) of the Order is not applicable to the Company.
- iv. The Company has not granted any loan under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act, with respect to the investment and guarantees. The Company has neither given any security nor given any loans during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73 to 76 of the Act and rules framed thereunder, and accordingly, the provisions of Clause (v) of Para 3 of the Order are not applicable to the Company.
- vi. We have broadly reviewed accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section (1) of Section 148 of the Act, related to manufacture of specialty petroleum products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate.

vii. In respect of statutory dues:

- a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, Employees' State Insurance, Income-tax, Goods and Service tax, cess or/and any other material statutory dues wherever applicable.
- b) According to the information and explanations given to us there were no outstanding statutory dues as on 31 March 2026 for a period of more than six months from the date they became payable.
- c) According to the information and explanation given to us, there are no dues outstanding in respect of Income-tax, VAT, Excise duty, Service tax, Custom duty, Goods and Service tax, Cess or/and any other material statutory dues wherever applicable, which have not been deposited on account of any dispute, except the following;

Name of the Statute	Nature of the Dues	Amount (INR in ₹Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13.33	FY 2017-18	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	0.16	FY 2022-23	Commissioner of Income Tax (Appeals)
Customs Act, 1962	Custom Duty	15.84	FY 2017-18	Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai

- viii. In our opinion, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company do not have any borrowings from financial institutions, government or dues to debenture holders.
- b) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) Based on our audit procedures and on the basis of information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiary.
- x. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- xi. (a) Based upon the audit procedures performed and the information and explanations given by the management, no fraud by the Company and no fraud 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 explanations given to us, the Company not received any whistle blower complaints during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of Clause (xii) of Para 3 of the Order are not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with the directors, requiring compliance with Section 192 of the Companies Act.
- xvi. (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), (b) and (c) of the Order is not applicable.
- (b) 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.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) 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 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.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (b) of the Order is not applicable for the year.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Place: Mumbai

Date: 29 May, 2026

Membership No. 114003

UDIN: 26114003SWMHDS6785



Standalone Balance Sheet

as at 31 March 2026

₹ in Crore

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
1. Non-current assets			
(a) Property, Plant and Equipment	3	199.80	194.13
(b) Capital work-in-progress	3.1	16.90	13.67
(c) Investment property	4	35.46	27.28
(d) Right-of-use assets	3, 5.1	22.10	22.62
(e) Intangible Assets	5.2	-	-
(f) Financial Assets			
(i) Investments	6.1	85.79	70.71
(ii) Others	6.6	0.70	0.69
(g) Other non-current assets	8	7.87	4.64
Total Non Current Assets		368.62	333.74
2. Current assets			
(a) Inventories	7	465.01	326.02
(b) Financial Assets			
(i) Trade Receivables	6.2	472.74	395.17
(ii) Cash and cash equivalents	6.4	32.28	32.96
(iii) Bank Balances other than (ii) above	6.5	1.12	1.18
(iv) Loans	6.3	16.02	11.09
(v) Others	6.6	6.91	3.89
(c) Current Tax Assets (Net)	15	-	2.99
(d) Other Current Assets	8	48.46	36.64
Total Current Assets		1,042.54	809.94
Total Assets		1,411.16	1,143.68
Equity and Liabilities			
Equity			
(a) Equity Share Capital	9	12.10	12.10
(b) Other Equity	10	1,041.07	920.52
Total Equity		1,053.17	932.62
Liabilities			
1. Non-current Liabilities			
Financial liabilities			
(a) Borrowings		-	-
(b) Lease liabilities	11.1	0.05	0.22
(c) Other Non-current Liabilities/Trade Payable		-	-
Provisions	12	2.06	1.59
Deferred Tax Liabilities (Net)	13	10.41	11.12
Total Non-current Liabilities		12.52	12.93
2. Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	11.1	0.14	0.16
(ii) Borrowings			
(a) Borrowings (Short term)	11.2	52.17	2.49
(b) Borrowings (Current maturities to long term borrowing)		-	-
(iii) Trade Payables	11.3		
Total outstanding dues of micro enterprises and small enterprises		5.23	7.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		268.61	176.13
(iv) Other Financial Liabilities	11.4	4.67	5.17
(b) Provisions	12	0.26	0.26
(c) Current Tax Liabilities (Net)	15	2.33	-
(d) Other Current Liabilities	14	12.06	6.15
Total Current Liabilities		345.47	198.13
Total Equity and Liabilities		1,411.16	1,143.68
Material Accounting Policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For **JMR & Associates LLP**
Chartered Accountants
Firm Registration No. 106912W / W100300

CA. Nimesh Jain
Partner
Membership No : 114003
Place: Mumbai
Date : 29 May 2026

For and on behalf of the board of directors of
Panama Petrochem Limited

Arif A. Rayani
Chairman
DIN: 00245647
Place: Mumbai
Date : 29 May 2026

Pramod Maheshwari
CFO
Place: Mumbai
Date : 29 May 2026

Samir A. Rayani
Managing Director & CEO
DIN:00002674
Place: Mumbai
Date : 29 May 2026

Gayatri Sharma
Company Secretary & Compliance Officer
Place: Mumbai
Date : 29 May 2026

Standalone Statement of Profit and Loss

for the year ended 31 March 2026

₹ in Crore

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	16	1,961.81	1,775.72
Other income	17	13.12	11.94
Total Income		1,974.93	1,787.66
Expenditure			
Cost of material consumed	18	1,630.37	1,457.05
Purchase of traded goods	19	9.16	14.54
Change in inventories of traded goods and finished goods	20	(11.54)	(6.87)
Employee benefits expense	21	31.65	24.47
Finance costs	22	8.30	14.48
Depreciation and amortization expense	23	8.55	7.96
Other expenses	24	105.12	118.09
Total Expenses		1,781.61	1,629.72
Profit for the year before tax		193.32	157.94
Tax expenses			
Current tax	35	49.50	39.50
Deferred tax	35	0.54	0.97
Short/(excess) provision of tax relating to earlier years		-	0.88
Total tax expenses		50.04	41.35
Profit for the year from continuing operations		143.28	116.59
Other Comprehensive Income			
A) Items that will not be reclassified subsequently to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		(0.19)	(0.21)
(ii) Income tax related to (i) above		0.05	0.05
(iii) Equity instruments through other comprehensive income		(7.33)	(4.15)
(iv) Income tax related to (iii) above		1.20	1.05
B) Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income		(6.27)	(3.26)
Total Comprehensive Income		137.01	113.33
Basic and Diluted earnings per share in ₹(face value of ₹2 each) (Refer Note 34)		23.69	19.27
Material Accounting Policies			
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No : 114003

Place: Mumbai

Date : 29 May 2026

For and on behalf of the board of directors of

Panama Petrochem Limited

Arif A. Rayani

Chairman

DIN: 00245647

Place: Mumbai

Date : 29 May 2026

Pramod Maheshwari

CFO

Place: Mumbai

Date : 29 May 2026

Samir A. Rayani

Managing Director & CEO

DIN:00002674

Place: Mumbai

Date : 29 May 2026

Gayatri Sharma

Company Secretary & Compliance Officer

Place: Mumbai

Date : 29 May 2026

Standalone Cash Flow Statement

for the year ended 31 March 2026

₹ in Crore

Particulars	31 March 2026	31 March 2025
A. Cash Flows from operating activities		
Profit before tax	193.32	157.94
Adjustments for -		
Depreciation on property, plant and equipment and investment property, ROU and intangible assets	8.55	7.96
Finance costs	8.30	14.48
(Profit)/loss on sale of property, plant and equipment (net)	(0.02)	(0.01)
Unrealized foreign exchange loss/(gain)	(0.90)	2.15
Unrealized foreign exchange loss/(gain) on derivative contract	(0.46)	0.70
Interest income	(2.99)	(3.32)
Dividend income	(0.39)	(0.01)
Lease rental received	(7.30)	(6.33)
Bad debts, Provision for doubtful debts	(0.21)	0.09
Operating profit before working capital changes	197.90	173.65
(Increase)/decrease in Trade Receivables	(70.82)	(18.42)
(Increase)/decrease in inventories	(138.99)	35.12
(Increase)/decrease in loans and advances	(7.96)	(11.76)
(Increase)/decrease in other current assets	(10.72)	(18.50)
Increase/(decrease) in Trade Payables	83.55	(43.26)
Increase/(decrease) in other financial liabilities and provisions	5.78	0.25
Cash generated from operations	58.74	117.08
Income tax paid	(44.18)	(39.38)
Net cash flow from operating activity (A)	14.56	77.70
B. Cash flows from investing activities		
Additions to property, plant and equipment and investment property	(27.95)	(21.69)
(Additions)/Proceed to/from Investment (Net)	(20.72)	(20.90)
Sales of property, plant and equipment	0.03	0.04
(Purchase)/maturity of bank deposits (having original maturity of more than three months)	0.06	(0.20)
Interest received	2.68	3.32
Lease Rental received	6.56	6.33
Dividend received	0.39	0.01
Net cash flow from/(used in) investing activities (B)	(38.96)	(33.09)
C. Cash flows from financing activities		
Payment of Lease Liabilities	(0.16)	(0.14)
Proceeds/ (Repayment) from/of short-term borrowing (net)	49.68	(23.00)
Interest paid	(8.34)	(14.51)
Dividend paid	(18.22)	(36.10)
Net cash flow from/(used in) financing activities (C)	22.96	(73.75)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1.44)	(29.14)
Effect of exchange differences on cash & cash equivalents held in foreign currency	0.76	0.07
Cash and cash equivalents at the beginning of the year	32.96	62.03
Cash and cash equivalents at the end of the year	32.28	32.96
Components of Cash and Cash Equivalents		
Cash on hand	0.04	0.09
With banks		
- on current accounts	32.24	32.87
Total Cash and Cash Equivalents (refer note 6.4)	32.28	32.96

The company can utilize these balances only towards the settlement of the respective unpaid dividend.

Standalone Cash Flow Statement

for the year ended 31 March 2026

Note :

- The Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind As 7 specified under section 133 of the Companies Act, 2013.
- Cash flow from operating activities includes INR 3.79 Crore (March 31, 2025: INR 4.32 Crore) being expenditure towards Corporate Social Responsibility (Refer Note 25).
- Movements in Financing Activity

Particulars	₹ in Crore	
	Lease	Short term borrowings
Balance as at March 31, 2024	0.52	25.49
Additions	-	-
Finance cost accrued during the period	0.04	-
Deletions	-	-
Payment	(0.18)	(23.00)
Balance at March 31, 2025	0.38	2.49
Additions	-	49.68
Finance cost accrued during the period	0.03	-
Deletions	(0.03)	-
Payment	(0.19)	-
Balance at March 31, 2026	0.19	52.17

Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date attached

For **JMR & Associates LLP**
Chartered Accountants
Firm Registration No. 106912W / W100300

CA. Nikesh Jain
Partner
Membership No : 114003
Place: Mumbai
Date : 29 May 2026

For and on behalf of the board of directors of
Panama Petrochem Limited

Arif A. Rayani
Chairman
DIN: 00245647
Place: Mumbai
Date : 29 May 2026

Pramod Maheshwari
CFO
Place: Mumbai
Date : 29 May 2026

Samir A. Rayani
Managing Director & CEO
DIN:00002674
Place: Mumbai
Date : 29 May 2026

Gayatri Sharma
Company Secretary & Compliance Officer
Place: Mumbai
Date : 29 May 2026

Standalone Statement of Changes in Equity

for the year ended 31 March 2026

Equity Share Capital

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Balance at the beginning of the current reporting period	12.10	12.10
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	12.10	12.10
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	12.10	12.10

₹ in Crore

Particulars	Reserves and Surplus				
	Securities Premium Account	General reserve	Retained earnings	Other Comprehensive Income*	Total
Balance as at 1st April, 2025	90.18	11.71	821.32	(2.69)	920.52
Changes in the accounting policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the current period	90.18	11.71	821.32	(2.69)	920.52
Total comprehensive income for the current year	-	-	143.28	(4.58)	138.70
Dividends	-	-	(18.15)	-	(18.15)
Transfer to retained earnings/General reserve/Other Comprehensive	-	1.69	-	(1.69)	-
Balance as at 31st March, 2026	90.18	13.40	946.45	(8.96)	1,041.07

₹ in Crore

Particulars	Reserves and Surplus				
	Securities Premium Account	General reserve	Retained earnings	Other Comprehensive Income*	Total
Balance as at 1st April, 2024	90.18	11.58	741.03	0.57	843.36
Changes in the accounting policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the current period	90.18	11.58	741.03	0.57	843.36
Total comprehensive income for the current year	-	-	116.59	(3.13)	113.46
Dividends	-	-	(36.30)	-	(36.30)
Transfer to retained earnings/General reserve/Other Comprehensive	-	0.13	-	(0.13)	-
Balance as at 31st March, 2025	90.18	11.71	821.32	(2.69)	920.52

Standalone Statement of Changes in Equity

for the year ended 31 March 2026

*Details of Other Comprehensive Income

₹ in Crore

Particulars	2025-2026			2024-2025		
	Re-measurement of Employees defined benefits	Equity Instruments through Other Comprehensive Income	Total	Re-measurement of Employees defined benefits	Equity Instruments through Other Comprehensive Income	Total
Balance at the beginning of the current period	(0.19)	(2.50)	(2.69)	(0.03)	0.60	0.57
Other Comprehensive Income during the year	(0.14)	(4.44)	(4.58)	(0.16)	(2.97)	(3.13)
Transfer to General Reserve	-	(1.69)	(1.69)	-	(0.13)	(0.13)
Balance at the end of the current reporting period	(0.33)	(8.63)	(8.96)	(0.19)	(2.50)	(2.69)

Notes :

- Securities Premium : Premium collected on issue of securities are accumulated as part of securities premium.
- General Reserve distributed : General reserve forms part of the retained earnings and is permitted to be to shareholders as dividend.
- Retained Earning : This represents profits remaining after all appropriations. This is free reserve and can be used for distribution of profits.

As per our report of even date attached

For **JMR & Associates LLP**
Chartered Accountants
Firm Registration No. 106912W / W100300

CA. Nikesh Jain
Partner
Membership No : 114003
Place: Mumbai
Date : 29 May 2026

For and on behalf of the board of directors of
Panama Petrochem Limited

Arif A. Rayani
Chairman
DIN: 00245647
Place: Mumbai
Date : 29 May 2026

Pramod Maheshwari
CFO
Place: Mumbai
Date : 29 May 2026

Samir A. Rayani
Managing Director & CEO
DIN:00002674
Place: Mumbai
Date : 29 May 2026

Gayatri Sharma
Company Secretary & Compliance Officer
Place: Mumbai
Date : 29 May 2026

Standalone Notes to Financial Statements

for the year ended 31 March 2026

1. Company Information

Panama petrochem Limited ("the Company") is a public limited Company domiciled in India. The registered office of the Company is at Plot No. 3303, GIDC Estate, Ankleshwar 393002, Gujarat, India and corporate office at 401, Aza House, Turner Road, Bandra West, Mumbai 400050. The Company was incorporated on 9 March 1982.

The Company is engaged in the manufacture of specialty petroleum products for diverse user industries like printing, textiles, rubber, pharmaceuticals, cosmetics, power and other industrial oil.

The equity shares of the Company are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

2. Material Accounting Policies:

(A) Basis of Preparation of Financial Statements

- (i) Compliance with Ind AS: The standalone financial statements have been prepared to comply, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

- (ii) Classification of assets and liabilities : All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Deferred tax assets and liabilities are classified as non-current on net basis. For the above purposes, the Company has determined the operating cycle as twelve months based on the nature of products and the time between the acquisition of inputs for manufacturing and their realisation in cash and cash equivalents.
- (iii) Historical cost convention : The financial statements have been prepared on going concern basis under the historical cost convention except:
 - (a) certain financial assets and liabilities (including derivative instruments) and
 - (b) defined benefit plans
 - (c) assets held for sale - measured at lower of its carrying amount and fair value less costs to sell

Which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

- (iv) Functional and presentation currency : The Company's functional and presentation currency is Indian Rupee (₹). All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crore (₹Crore), except otherwise indicated.
- (v) Fair value measurement : The Company measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either

- (a) in the principal market for the asset or liability or
- (b) in the absence or a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

(B) Property, Plant and Equipment

- (i) Freehold land is carried at historical cost and all other property, plant and equipment are shown at cost (net of adjustable taxes) less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises of its purchase price, non refundable / adjustable purchase taxes and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, the initial estimate of any decommissioning obligation, if any and for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The cost also includes trial run cost and other operating expenses such as freight, installation charges etc. The projects under construction are carried at costs comprising of costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and attributable borrowing costs.
- (ii) Stores and spares which meet the definition of property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.
- (iii) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.
- (iv) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset or significant part) is included in the Statement of Profit and Loss when the asset is derecognized.
- (v) In line with the provisions of Schedule II to the Companies Act, 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of property, plant and equipment has been assessed based on the historical experience and internal technical inputs.
- (vi) Depreciation on property, plant and equipment is provided as per straight line method based on useful

life prescribed under Schedule II to the Companies Act, 2013. The Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II.

The property, plant and equipment acquired under finance lease are depreciated over the period of lease. Depreciation on stores and spares specific to an item or property, plant and equipment is based on life of the related property, plant and equipment. In other cases, the stores and spares are depreciated over their estimated useful life based on the technical assessment.

- (vii) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- (viii) Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. These are stated at cost to date relating to items or project in progress, incurred during construction / preoperative period. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(C) Investment Property

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purpose). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of Ind AS 16 for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the Statement of Profit and Loss in the period in which the property is derecognized.

Depreciation on investment property is provided as per straight line method based on estimated useful life which is considered at 60 years based on internal assessment.

(D) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised on a straight- line basis over their estimated useful economic

Standalone Notes to Financial Statements

for the year ended 31 March 2026

lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Profit and Loss Statement when the asset is derecognized.

Nature of Intangible asset	Useful Life
Computer Software	3 years

(E) Borrowing Costs

Borrowing costs are charged to Statement of Profit and Loss except to the extent attributable to acquisition / construction of and asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(F) Impairment of Non-financial Assets

At each balance sheet date, an assessment is made of whether there is any indication of impairment.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

(G) Non-current Assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

(H) Inventories

Inventories are valued as follows:

Raw materials, Packing Materials and Traded Goods	Lower of cost or net realizable value. 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 a First In First Out (FIFO) basis. Cost of raw materials comprises of cost of purchase (net of discount) and other cost in bringing the inventory to their present location and condition excluding Input GST credit . Customs duty on stock lying in bonded warehouse is included in cost.
Work-in-progress and Finished goods	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First Out (FIFO) basis.

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

(I) Revenue from contracts with customer:

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of discounts offered by the Company as part of the contract. This variable consideration is estimated

Standalone Notes to Financial Statements

for the year ended 31 March 2026

based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

(i) Sale of Goods:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

(ii) Interest income:

Under Ind AS 109, Interest income is recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at fair value through Profit and loss (FVTPL).

The EIR in case of a financial asset is computed

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instruments in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premium or discounts.

Any subsequent changes in the estimation of the future cash flows is recognized in interest income with the corresponding adjustment to the carrying amount of the assets.

(iii) Net Gain on fair value changes :

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balance sheet date is recognized as an unrealized gain / loss. In cases there is a net gain in the aggregate, the same is recognized in "Net gains on fair value changes" under "Other Income" and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realized gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at Fair value through Other Comprehensive Income ("FVTOCI") is recognized in net gain / loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortized is presented separately under the respective head in the Statement of Profit and Loss.

(iv) Dividend income:

Dividend income is recognized :

- When the right to receive the payment is established.
- It is probable that the economic benefits associated with the dividend will flow to the entity and
- The amount of the dividend can be measured reliably.

(v) Rental Income:

Revenue is recognized on the basis of income arising from operating lease of investment properties is accounted for on a straight-line basis over the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in the head "other income" in the Statement of Profit and Loss.

(vi) Others:

Revenue is recognized in respect of export incentives, insurance / other claims etc., when it is reasonably certain that the ultimate collection will be made.

(J) Expenditure on Research and Development

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss under the appropriate heads of expenses. Expenditure relating to property, plant and equipment are capitalized under respective heads.

(K) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation

Standalone Notes to Financial Statements

for the year ended 31 March 2026

denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in financial statements, are recognized as income or as expenses in the year in which they arise.

(iv) Forward Contracts

The premium or discount arising at the inception of forward exchange contracts is booked as expense or income immediately. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

(L) Employee Benefits

All employee benefits payable wholly within 12 months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Post Retirement Benefits

The Company operates the following post-employment schemes:

- (a) defined benefit plan - gratuity
- (b) defined contribution plan - provident fund

Defined benefit plan - Gratuity obligation

Post-employment benefits (benefits which are payable on completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of actuarial valuation annually.

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Defined contribution plan

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective fund are due. There are no other obligations other than the contribution payable to the respective fund.

(M) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Panama's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no changes are required to lease period relating to the existing lease contracts. Refer note no. 5.1 and 11.1

(a) As Company is the lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Standalone Notes to Financial Statements

for the year ended 31 March 2026

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(b) Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

For leases classified as finance leases, the underlying asset is derecognised and a lease receivable is recognised at an amount equal to the net investment in the lease, which comprises:

- (a) The gross investment in the lease, being the aggregate of the lease payments receivable by the lessor under the lease and any unguaranteed residual value accruing to the lessor, discounted at the interest rate implicit in the lease, and
- (b) Any initial direct costs incurred by the lessor.

Subsequent to initial recognition, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The lease payments received are allocated between a reduction in the lease receivable and the finance income. The net investment in finance leases is presented as a financial asset.

(N) Taxation

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year.

- (a) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.
- (b) Deferred Tax: Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are off set if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(O) Segment Reporting

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of geography and the nature of product/services.

The board of directors of the Company has appointed the Managing Director as the chief operating decision maker (CODM) who is assessing the financial performance and position of the Company, and makes strategic decisions.

(P) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, if any, such as bonus issue, bonus elements in a rights issue to existing shareholders, shares split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(Q) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable

that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Financial Guarantee Contracts

The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(R) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

I. Financial Assets

A. Initial recognition and measurement :

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of the financial asset [other than financial assets at fair value through profit or loss (FVTPL)] are added to the fair value of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to

Standalone Notes to Financial Statements

for the year ended 31 March 2026

purchase or sell the asset. Transaction costs of financial assets carried at FVTPL are expensed in the Statement of Profit and Loss.

B. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in the following categories:

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) Debt instruments included within the Fair Value Through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

(iii) Equity instruments: All equity instruments within the scope of Ind-AS 109 are measured at fair value excluding Investment in Unquoted equity shares held for membership purpose. Equity instruments which are classified as held for trading are measured at FVTPL. For all other equity instruments, the Company decides to measure the same either at Fair Value Through Other Comprehensive

Income (FVTOCI) or FVTPL. The Company makes such selection on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments measured at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such instruments.

iv) Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

C. De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without

material delay to a third party under a 'pass-through' arrangement, and either:

- (i) the Company has transferred substantially all the risks and rewards of the asset, or
- (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

D. Impairment of financial assets:

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances. The Company follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

II. Financial Liabilities

A. Initial recognition and measurement:

Financial liabilities are classified at initial recognition as :

- (i) financial liabilities at fair value through profit or loss,
- (ii) loans and borrowings, payables, net of directly attributable transaction costs or
- (iii) derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

B. Subsequent measurement :

The measurement of financial liabilities depends on their classification, as described below:

- (i) **Borrowings:** Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognized in the Statement of Profit and Loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that

the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

- (ii) **Trade and other payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within twelve months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

- (iii) **Derivative financial instruments:** The Company uses derivative financial instruments, such as foreign exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedge accounting :

The Company designates certain hedging instruments which include derivatives, embedded derivatives and non derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. At the inception of the hedge relationship, the Company documents the relationship between the hedging instruments and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

C. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender, on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

D. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(S) Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

- (a) Operating lease commitments – Company as lessor;
- (b) Assessment of functional currency;
- (c) Evaluation of recoverability of deferred tax assets

Estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the

date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year :

- a) Useful lives of property, plant and equipment, investment property and intangible assets;
- b) Fair value measurements of financial instruments ;
- c) Impairment of non-financial assets;
- d) Taxes;
- e) Defined benefit plans (gratuity benefits);
- f) Provisions;
- g) Valuation of inventories;
- h) Contingencies

(T) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a

Standalone Notes to Financial Statements

for the year ended 31 March 2026

right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier

finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has evaluated the applicability of the OECD Pillar Two Model Rules (global minimum tax). Based on the assessment, the provisions are not applicable to the Company/group as it does not meet the prescribed revenue threshold. Accordingly, there is no impact on the financial statements.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

03. Property, plant and equipment

Particulars	Freehold land	Factory Building	Non Factory Building	Plant & Equipment	Office Equipment	Computers	Furniture and fixtures	Vehicles	Total Property, plant and equipment	Leasehold land	Leased properties	Total Right-of use assets
₹ in Crore												
Cost or valuation												
At 1 April 2024	31.32	19.56	108.47	58.69	2.79	0.81	15.36	8.05	245.05	28.84	0.69	29.53
Additions	-	-	0.47	2.79	0.26	0.08	2.27	1.26	7.13	-	-	-
Other adjustments	-	-	[0.01]	[0.04]	[0.10]	-	-	-	[0.15]	-	-	-
Deletion	-	-	-	-	-	-	-	[0.43]	[0.43]	-	-	-
Assets reclassified to Investment Property	-	-	[6.28]	-	-	-	-	-	[6.28]	-	-	-
At 31 March 2025	31.32	19.56	102.65	61.44	2.95	0.89	17.63	8.88	245.32	28.84	0.69	29.53
Additions	-	-	-	18.25	0.64	0.17	2.83	0.01	21.90	0.01	-	0.01
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	-	[0.15]	[0.15]	-	[0.02]	[0.02]
Assets reclassified to Investment Property	-	-	[9.40]	-	-	-	-	-	[9.40]	-	-	-
At 31 March 2026	31.32	19.56	93.25	79.69	3.59	1.06	20.46	8.74	257.67	28.85	0.67	29.52
Depreciation												
At 1 April 2024	-	7.36	6.88	18.44	1.73	0.68	4.63	5.24	44.96	6.19	0.22	6.41
Charge for the year	-	0.61	1.70	2.32	0.29	0.07	1.33	0.68	7.00	0.37	0.15	0.52
Other adjustments	-	0.01	-	[0.05]	[0.10]	-	-	0.01	[0.13]	[0.01]	[0.01]	[0.02]
Deletion	-	-	-	-	-	-	-	[0.40]	[0.40]	-	-	-
Assets reclassified to Investment Property	-	-	[0.24]	-	-	-	-	-	[0.24]	-	-	-
At 31 March 2025	-	7.98	8.34	20.71	1.92	0.75	5.96	5.53	51.19	6.55	0.36	6.91
Charge for the year	-	0.60	1.51	2.46	0.38	0.10	1.70	0.66	7.41	0.37	0.14	0.51
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	-	[0.14]	[0.14]	-	-	-
Assets reclassified to Investment Property	-	-	[0.59]	-	-	-	-	-	[0.59]	-	-	-
At 31 March 2026	-	8.58	9.26	23.17	2.30	0.85	7.66	6.05	57.87	6.92	0.50	7.42
Net Block												
At 31 March 2025	31.32	11.58	94.31	40.73	1.03	0.14	11.67	3.35	194.13	22.29	0.33	22.62
At 31 March 2026	31.32	10.98	83.99	56.52	1.29	0.21	12.80	2.69	199.80	21.93	0.17	22.10
Capital work-in-progress												
At 31 March 2025	-	1.40	0.21	12.05	-	-	-	-	13.66	-	-	-
At 31 March 2026	-	7.24	2.49	6.12	0.24	-	0.81	-	16.90	-	-	-

Standalone Notes to Financial Statements

for the year ended 31 March 2026

03. Property, plant and equipment (Contd..)

Notes:-

3.1 Capital Work in Progress

₹ in Crore

CWIP	2025-2026					2024-2025				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	15.24	1.66	-	-	16.90	12.48	1.19	-	-	13.67
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

3.2 The Board currently estimates that there are no components which have significantly different lives from the underlying primary assets

4. Investment Property

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
I. Gross Carrying Amount		
Balance at the beginning of the year	30.44	24.16
Additions / reclassification	9.40	6.28
Deletions / reclassification	-	-
Balance at the end of the year	39.84	30.44
II. Accumulated Depreciation and Impairment		
Balance at the beginning of the year	3.16	2.48
Depreciation for the year	0.63	0.44
Accumulated depreciation on Addition/deletions	0.59	0.24
Balance at the end of the year	4.38	3.16
III. Net Carrying Amount at end of the year	35.46	27.28
IV. Fair value of investment property at the end of the year	56.84	42.12

4.1 Information regarding income and expenditure of Investment Property

₹ in Crore

Particulars	31.03.2026	31.03.2025
Rental income derived from investment properties	7.08	5.84
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0.90	1.04
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	6.18	4.80
Less: Depreciation	0.63	0.44
Profit arising from investment properties before indirect expenses	5.55	4.36

4.2 Fair value of the Company's investment properties

The fair value of the Company's investment properties as at 31 March 2026 was arrived at on the basis of a valuation carried out by independent registered values not related to the Company. The Company has adopted policy of revaluing investment property generally every three years. (Level 3)

Standalone Notes to Financial Statements

for the year ended 31 March 2026

4. Investment Property (Contd..)

4.3 a) Details of the Company's Investment properties and information about their Fair value hierarchy

₹ in Crore

Particulars	Fair value measurement	
	31.03.2026	31.03.2025
Valuation at the end of the year	56.84	42.12

b) Reconciliation of fair value

₹ in Crore

Particulars	2025-2026	2024-2025
Opening balance	42.12	35.73
Fair value difference	5.32	0.11
Reclassification/Additions	9.40	6.28
Closing balance	56.84	42.12

c) Description of valuation techniques used and key inputs to valuation on investment properties

The investment properties have been valued at Fair Market Value. It is the value of the property at which it can be sold in open market at a particular time free from forced value or sentimental value. Prevailing market value is a result of demand/ supply / merits /demerits of properties and various locational, social, economical, political factors and circumstances. Prevailing market value can be estimated through market survey, through dependable data/ sale instances, local estate developers/ brokers, real estate portal enquiries and verbal enquiries in neighborhood area.

5.1 Leases

The Company has entered into agreements for taking lease certain offices and warehouses on lease and license basis. The lease term is a period ranging from 12 to 45 months. The Company has contracts which have fixed rentals. The Company has also taken leasehold factory lands on one time payment basis. The lease term is a period ranging from 30 years to 99 years.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Disclosure as per the requirement of Ind AS 116

(i) Amounts recognized in balance sheet

The balance sheet shows the following amounts relating to leases

Following are the changes in the carrying value of right of use assets :

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Balance as at beginning of the year	22.62	23.12
Additions	0.01	-
Derecognition/Modification	(0.02)	-
Amortisation	(0.51)	(0.52)
Other adjustment	-	0.02
Balance as at the end of the year	22.10	22.62

Standalone Notes to Financial Statements

for the year ended 31 March 2026

5.1 Leases (Contd..)

Following are the changes in the carrying value of lease liabilities:

	As at 31.03.2026	As at 31.03.2025
Balance as at beginning of the year	0.38	0.52
Additions	-	-
Finance cost accrued during the period	0.03	0.04
Deletions/Modification	(0.03)	-
Payment of lease liabilities	(0.19)	(0.18)
Balance at the end	0.19	0.38
Lease liabilities		
Current	0.14	0.16
Non-current	0.05	0.22

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 on an undiscounted basis:

Particulars	As at 31.03.2026	As at 31.03.2025
Less than one year	0.15	0.19
One to five years	0.05	0.23
More than five years	-	-
Total	0.20	0.42

The cash outflow of lease payments with respect to the above lease recognized in the statement of profit and loss for the financial year 2025-2026 is ₹ 0.19 Crore (Previous Year ₹ 0.18 Crore).

B) Where the Company is lessor

The future minimum lease payments receivable as per the lease agreements on undiscounted basis are as follows:

Particulars	As at 31.03.2026	As at 31.03.2025
Less than one year	5.61	5.82
One to five years	20.50	15.37
More than five years	-	-

The amount of lease rental income with respect to operating lease recognized in the statement of profit and loss for the year is ₹ 7.08 Crore (previous year ₹ 5.84 Crore).

(ii) Amounts recognised in statement of profit and loss

The statement of profit and loss shows following amounts relating to leases:

Particulars	As at March 31, 2026	As at March 31, 2025
Amortisation of right of use assets		
Land	0.37	0.37
Building	0.14	0.15
Total	0.51	0.52
Interest expense (included in Finance costs)	0.03	0.04
Expense relating to short-term leases (included in other expenses)	0.87	0.73
Gain on termination of lease contract	-	-
Total	0.90	0.77

Standalone Notes to Financial Statements

for the year ended 31 March 2026

5.2 Other Intangible Assets

Computer Software

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
I. Gross Carrying Amount		
Balance at the beginning of the year	0.08	0.08
Additions	-	-
Deletions	-	-
Balance at the end of the year	0.08	0.08
II. Accumulated Amortisation and Impairment		
Balance at the beginning of the year	0.08	0.08
Amortisation for the year	-	-
Accumulated amortisation on deletions	-	-
Balance at the end of the year	0.08	0.08
III. Net Carrying Amount at end of the year	-	-

The Company does not have any intangible assets under development.

6 Financial Assets

6.1 Non-current Investments (fully paid up)

₹ in Crore

Investments in equity instruments	As at March 31,2026	As at March 31,2025
Unquoted - Others		
1,795 (31 March 2025 : 1,795) fully paid equity shares of 10 each of Bharuch Enviro Infrastructure Limited #	-	-
975 (31 March 2025 : 975) Fully paid equity shares of ₹100 each of The Marol Co operative Industrial Estate Limited #	0.01	0.01
80,000 (31 March 2025 : Nil) Fully paid equity shares of ₹1 each of National Stock Exchange Limited	14.32	-
In Subsidiary Company		
33,018 (31 March 2025 : 33,018) Fully Paid Equity Shares of AED 1,000 each of Panol Industries RMC FZE, UAE #	51.86	51.86
	66.19	51.87
#It is carried at cost.		
*Amount appears as NIL as financials statement reported in ₹ Crore, rounded up to two decimals.		
Aggregate amount of Unquoted Investments - gross	66.19	51.87
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of Unquoted Investments - net	66.19	51.87

Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"

₹ in Crore

Subsidiary Company	Principal place of business	Effective Proportion of ownership [%]		Effective Proportion of voting power [%]	
		31.03.2026	31.03.2025	31.03.2026	31.03.2025
Panol Industries RMC FZE	UAE	100%	100%	100%	100%

Standalone Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

₹ in Crore

Quoted	As at March 31,2026	As at March 31,2025
Designated at Fair value through Other Comprehensive Income		
2,691 (31 March 2025 : 8,127) (FV : ₹10) Fully paid equity share of Apar Industries Limited	2.66	4.50
6,200 (31 March 2025 : 6,200) (FV : ₹10) fully paid equity shares of DCB Bank Limited	0.10	0.07
52,000 (31 March 2025 : 41,311) (FV : ₹5) Fully paid equity shares of Godrej Properties Limited	7.65	8.79
7,000 (31 March 2025 : Nil) (FV : ₹10) Fully paid equity shares of Kalpataru Limited	0.18	-
Nil (31 March 2025 :15,000) (FV : ₹10) Fully paid equity share of Indusind Bank Limited	-	0.97
Nil (31 March 2025 : 15,000) (FV : ₹10) Fully paid equity share of JIO Financials Limited	-	0.34
79,220 (31 March 2025 : Nil) (FV : ₹10) Fully paid equity shares of Lodha Developers Limited	5.36	-
1,34,471 (31 March 2025: 1,34,471) (FV : ₹10) Fully paid equity share of Mafatlal Industries Limited	1.45	1.63
15,500 (31 March 2025 : 15,500) (FV : ₹10) Fully paid equity share of Oberoi Realty Limited	2.20	2.54
	19.60	18.84
Aggregate amount of Quoted Investments - gross (at market value)	19.60	18.84
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of Quoted Investments - net	19.60	18.84
Total	85.79	70.71

6.2 Trade Receivables

₹ in Crore

Current	As at March 31,2026	As at March 31,2025
Unsecured, Considered good	472.74	395.17
Unsecured, Considered doubtful	0.32	0.85
Unsecured, credit impaired	0.46	0.14
	473.52	396.16
Less: Impairment under expected credit loss	0.78	0.99
	472.74	395.17
Further classified as:		
Related Parties	-	-
Others	472.74	395.17

Note:- Impairment under expected credit loss includes ₹ 0.46 Crore P.Y. (₹ 0.14 Crore) for doubtful debts.

The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follow. The management provided specific provisions for credit impaired parties.

Age of receivables	As at 31.3.2026			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
	₹ in Crore	%	₹ in Crore	₹ in Crore
0-180 days past due	1.69	6.46%	0.11	1.58
180-365 days past due	0.12	13.09%	0.02	0.10
More than 365 days past due	1.05	18.20%	0.19	0.86
Credit impaired	0.46	100.00%	0.46	-
Total	3.32	23.49%	0.78	2.54

Standalone Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

Age of receivables	As at 31.3.2025			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
	₹ in Crore	%	₹ in Crore	₹ in Crore
0-180 days past due	2.96	6.30%	0.19	2.77
180-365 days past due	0.29	12.78%	0.03	0.26
More than 365 days past due	3.53	17.76%	0.63	2.90
Credit impaired	0.14	100.00%	0.14	-
Total	6.92	14.31%	0.99	5.93

Movement in the expected credit loss allowance

Particulars	Year ended 31.3.2026	Year ended 31.3.2025
Balance at the beginning of the year	0.99	0.90
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(0.21)	0.09
Balance at the end of the year	0.78	0.99

The bifurcation of Trade Receivable are as under:-

Year ended 31.3.2026

₹ in Crore

Particulars	Outstanding for following periods from bill date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables-considerd good	462.96	6.06	0.65	0.21	0.33	470.21
ii) Undisputed Trade Receivables – which have significant increase in credit risk	1.69	0.12	-	-	0.52	2.33
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.25	0.21	0.46
iv) Disputed trade receivables-considerd good	-	-	-	-	0.52	0.52
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Trade Receivables	-	-	-	-	-	473.52
Less:- Allowance for Expected Credit Loss	-	-	-	-	-	(0.78)
Total						472.74

The bifurcation of Trade Receivable are as under:-

Year ended 31.3.2025

₹ in Crore

Particulars	Outstanding for following periods from bill date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables-considerd good	375.29	11.50	0.59	1.86	-	389.24
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	2.96	0.29	-	2.34	5.59
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	0.14	0.14
iv) Disputed trade receivables-considerd good	-	-	-	-	1.19	1.19
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Trade Receivables	-	-	-	-	-	396.16
Less:- Allowance for Expected Credit Loss	-	-	-	-	-	(0.99)
Total						395.17

Standalone Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

Unbilled Revenue

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Disputed Trade Receivables	-	-
Undisputed Trade Receivables	-	-

6.3 Loans and advances

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Other Loans		
Unsecured, considered good	16.02	11.09
	16.02	11.09

6.4 Cash and Cash Equivalents

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
On current accounts	32.24	32.87
Cash Balances		
Cash on hand	0.04	0.09
	32.28	32.96

6.5 Other bank balances

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Deposit accounts with more than 3 months but less than 12 months maturity	0.19	0.18
Unpaid dividend accounts	0.93	1.00
	1.12	1.18

6.6 Other Financial Assets

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Bank deposits with more than 12 months maturity	-	-
Security deposits	0.70	0.69
	0.70	0.69
Current		
Security deposits	3.82	2.75
Derivative asset	0.43	-
Receivable from subsidiary (Refer note 33)	1.59	1.13
Other financial assets	1.07	0.01
	6.91	3.89
	7.61	4.58

Standalone Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Loans and advances to subsidiary companies

₹ in Crore

Particulars	Maximum amount due at any time during the year	
	As at 31.03.2026	As at 31.03.2025
Panol Industries RMC FZE	1.55	1.13

7 Inventories

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
(Valued at lower of cost and net realizable value)		
Raw material (Includes goods in transit ₹ 12.06 Crore previous year ₹ 15.02 Crore)	418.92	292.35
Finished goods	35.62	18.93
Traded goods	8.91	14.06
Packing material (Includes goods in transit ₹ 0.00 Crore previous year ₹ 0.02 Crore)	1.56	0.68
	465.01	326.02

8 Other Assets

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Non-current		
Capital advances	7.87	4.64
	7.87	4.64
Current		
Custom/GST balances	33.82	17.42
Advances to vendors	10.66	14.36
Others including duties and taxes receivable (other than Custom/GST balances)	3.98	4.86
	48.46	36.64

9 Equity Share Capital

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Authorized shares		
12,77,50,000 (31 March 2025 : 12,77,50,000, equity shares of ₹2 each)	25.55	25.55
Issued shares		
6,04,93,598 (31 March 2025 : 6,04,93,598 equity shares of ₹2 each)	12.10	12.10
Subscribed and fully paid-up shares		
6,04,93,598 (31 March 2025 : 6,04,93,598 equity shares of ₹2 each)	12.10	12.10

a) Reconciliation of shares

Particulars	As at 31.03.2026		As at 31.03.2025	
	Nos.	₹ in Crore	Nos.	₹ in Crore
At the beginning of the year	60,493,598	12.10	60,493,598	12.10
Issued/Buyback during the year	-	-	-	-
At the end of the year	60,493,598	12.10	60,493,598	12.10

Standalone Notes to Financial Statements

for the year ended 31 March 2026

9 Equity Share Capital (Contd..)

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share, however the holders of global depository receipts (GDR's) do not have any voting rights in respect of shares represented by the GDR's till the shares are held by the custodian bank.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets (after repayment of liability) in proportion to the number of equity shares held by the shareholders.

c) Shares held by promoters as at 31 March 2026

Promoter name	No. of Shares	% of total shares	% Change during the year
Amirali Essabhai Rayani	-	0.00%	-2.54%
Akbarali Essabhai Rayani	1,595,346	2.64%	0.00%
Salimali Essabhai Rayani	1,521,587	2.52%	0.00%
Vazirali Essabhai Rayani	1,246,965	2.06%	0.00%
Promoter Group			
Ittefaq Ice And Cold Storage Pvt Limited	4,596,293	7.60%	0.19%
Panama Builders Developers Pvt Limited	2,819,865	4.66%	0.69%
Arif Amirali Rayani	3,670,567	6.07%	0.00%
Sapna Samir Rayani	1,522,207	2.52%	0.00%
Serena Iqbal Rayani	720,000	1.19%	0.00%
Nilima Shah Nawaz Kheraj	3,000	0.00%	0.00%
Gulshan Salimali Rayani	144,355	0.24%	0.00%
Malika Vazirali Rayani	1,011,342	1.67%	0.00%
Shelina Arifali Rayani	3,190,462	5.27%	0.00%
Samir Akbarali Rayani	2,008,703	3.32%	0.00%
Hussein Vazirali Rayani	1,196,159	1.98%	0.00%
Chemine Amin Rayani	1,859,449	3.07%	0.00%
Iqbal Vazirali Rayani	1,832,977	3.03%	0.00%
Amin Amirali Rayani	4,863,401	8.04%	2.88%
Begumbanu Akberali Rayani	2,504,160	4.14%	0.00%
Munira Hussein Rayani	888,750	1.47%	0.00%
Ahyman Arif Rayani	1,012,508	1.67%	0.00%

d) Details of shareholders holding more than 5% of equity shares

	As at 31.03.2026		As at 31.03.2025	
	No of Shares	% holding in the class	No of Shares	% holding in the class
Equity Shares of ₹2 each fully paid up				
Amin Amirali Rayani	4,863,401	8.04%	3,123,056	5.16%
Ittefaq Ice and Cold Storage Private Limited	4,596,293	7.60%	4,479,615	7.41%
Arif Amirali Rayani	3,670,567	6.07%	3,670,567	6.07%
Ms. Shelina Arif Rayani	3,190,462	5.27%	3,190,462	5.27%

Standalone Notes to Financial Statements

for the year ended 31 March 2026

9 Equity Share Capital (Contd..)

- e) The Company has not allotted any equity shares for consideration other than cash, issued any fully paid-up bonus shares, or bought back any shares during the five years immediately preceeding March 31, 2026

f) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:-

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interim Dividend for fiscal 2025	-	2.00
Final Dividend for fiscal 2024	-	4.00
Final Dividend for fiscal 2025	3.00	-

During the year ended 31 March 2026, on account of the final dividend for fiscal 2025, the Company has incurred a net cash outflow of ₹18.15 Crore

The Board of Directors in their meeting on 29 May 2026 recommended a final dividend of ₹3/- (P.Y. ₹3/-) per equity share for the financial year ended 31 March 2026.

This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company, and if approved would results in a net cash outflow of approximately ₹18.15 Crore.

10. Other Equity

Particulars	₹ in Crore	
	As at 31.03.2026	As at 31.03.2025
Securities Premium Account		
Balance at the beginning of the year	90.18	90.18
Less:- Utilized for during the year	-	-
Balance at the end of the year	90.18	90.18
General reserve		
Balance at the beginning of the year	11.71	11.58
Add: Transfer from Other Comprehensive Income	1.69	0.13
Balance at the end of the year	13.40	11.71
Statement of Profit & Loss		
Balance at the beginning of the year	821.32	741.03
Add: Profit / (loss) for the year	143.28	116.59
Less: Appropriations (Dividend Paid)	18.15	36.30
Net Retained earning	946.45	821.32
Other Comprehensive Income		
Balance at the beginning of the year	(2.69)	0.57
Other comprehensive Income during the year	(4.58)	(3.13)
Transfer to General Reserve	(1.69)	(0.13)
Balance at the end of the year	(8.96)	(2.69)
Total other equity	1,041.07	920.52

Standalone Notes to Financial Statements

for the year ended 31 March 2026

10. Other Equity (Contd..)

Notes:

- Securities Premium : Premium collected on issue of securities are accumulated as part of securities premium. Utilization of such reserve is restricted by The Companies Act, 2013.
- General Reserve : General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.
- Retained Earning : This represents profits remaining after all appropriations. This is free reserve and can be used for distribution of profits.

11 Financial Liabilities

11.1 Lease Liability

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Non Current		
Non Current lease liability	0.05	0.22
	0.05	0.22
Current		
Current lease liability	0.14	0.16
	0.14	0.16

The following is the movement in lease liabilities during the year ended

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Balance at the beginning	0.38	0.52
Additions	-	-
Finance cost accrued during the period	0.03	0.04
Derecognition	(0.03)	-
Payment of lease liabilities	(0.19)	(0.18)
Balance at the end	0.19	0.38

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

11.2 Short-term Borrowings (Secured)

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current		
Cash Credits from banks	32.17	2.49
Working Capital Loan	20.00	-
Secured by ;		
hypothecation of inventories, receivables and other current assets and		
The cash credit is repayable on demand and carried an interest rate of		
Current Year 7.25% to 11.35% p.a. (Previous Year 8.70% to 11.75% p.a.)		
	52.17	2.49

- The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.
- The quarterly results or statements of current assets filed by the Company with banks are in agreement with books of accounts and there is no discrepancies in the same.
- The Company is not declared a willful defaulter by any bank or financial institution or other lender.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

11 Financial Liabilities (Contd..)

- iv. The Company has registered all the charges towards secured borrowings outstanding as on 31 March 2026 and 31 March 2025. There is no satisfaction of charge pending on secured borrowings which are repaid during the financial year ended 31 March 2026 and 31 March 2025.

- v. Refer note no 37

11.3 Trade payables

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current		
Trade payables:		
Micro and small Enterprises	5.23	7.77
Other than micro and small enterprises	268.61	176.13
(Refer Note 29 for details of dues to micro and small enterprises)		
	273.84	183.90

Bifurcation of Trade payables:-

As at 31.03.2026

₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Not Billed	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	5.23	-	-	-	5.23
(ii) Others	0.76	267.85	-	-	-	268.61
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	0.76	273.08	-	-	-	273.84

Bifurcation of Trade payables:-

As at 31.03.2025

₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Not Billed	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	7.77	-	-	-	7.77
(ii) Others	2.12	174.01	-	-	-	176.13
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2.12	181.78	-	-	-	183.90

11.4 Other Financial Liabilities

Current

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Financial liabilities at fair value through profit or loss (FVTPL)		
Derivatives liabilities carried at fair value	-	1.01
Other Financial liabilities at amortized cost		
Unpaid dividends	0.93	1.00
Security deposit	3.05	2.88
Creditors for capital goods	0.69	0.28
	4.67	5.17

Standalone Notes to Financial Statements

for the year ended 31 March 2026

12. Provisions

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Non Current		
Provision for gratuity (Refer Note 31)	2.06	1.59
	2.06	1.59
Current		
Provision for gratuity (Refer Note 31)	0.26	0.26
	0.26	0.26
	2.32	1.85

13. Deferred Tax Liability (Net)

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Deferred Tax Liability	13.28	12.77
Deferred Tax Assets	2.87	1.65
Net Deferred Tax Liability	10.41	11.12
Deferred Tax Assets		
Deductible temporary differences:-		
Provision for doubtful debts and advances	-	0.03
Provision for ECL	0.20	0.21
Finance Lease	0.05	0.10
Defined benefit obligation	0.58	0.47
Others	2.04	0.84
	2.87	1.65
Deferred Tax Liability		
Taxable temporary differences:-		
Property, plant and equipment and investment property	13.23	12.68
Right of Use	0.04	0.08
Other financial liabilities	0.01	0.01
	13.28	12.77

14. Other Liabilities

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current		
Advances from customers	7.16	0.24
Income tax deducted at source	2.24	3.83
Duties and taxes	2.06	1.23
Other liabilities	0.60	0.85
	12.06	6.15

15. Current tax assets and liabilities

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current tax assets		
Advance Tax (Gross)	114.99	70.81
	114.99	70.81
Current tax liabilities		
Income tax payable (Gross)	117.32	67.82
Current tax assets/(liabilities)	(2.33)	2.99

Standalone Notes to Financial Statements

for the year ended 31 March 2026

16 Revenue from Operations

₹ in Crore

Particulars	2025-2026	2024-2025
Sale of products		
Finished products	1,946.00	1,761.37
Traded products	15.81	14.35
	1,961.81	1,775.72

17 Other Income

₹ in Crore

Particulars	2025-2026	2024-2025
Interest income	2.99	3.32
Interest income on security deposit given	-	-
Dividend income from Long-term investments	0.39	0.01
Profit on sale of property, plant and equipment's (net)	0.02	0.01
Exchange gain (net)	0.36	-
Rent received	7.30	6.33
Miscellaneous income	2.06	2.27
	13.12	11.94

18 Cost of Materials Consumed

₹ in Crore

Particulars	2025-2026	2024-2025
Raw material consumed		
Inventory at the beginning of the year	292.35	334.43
Add : Purchases	1,727.62	1,387.11
	2,019.97	1,721.54
Less : Inventory at the end of the year	418.92	292.35
Cost of raw material consumed	1,601.05	1,429.19
Packing material consumed		
Inventory at the beginning of the year	0.68	0.59
Add : Purchases	30.20	27.95
	30.88	28.54
Less : Inventory at the end of the year	1.56	0.68
Cost of packing material consumed	29.32	27.86
Total material consumed	1,630.37	1,457.05

19 Purchase of Traded Goods

₹ in Crore

Particulars	2025-2026	2024-2025
Traded goods	9.16	14.54
	9.16	14.54

20 (Increase) / Decrease in Inventories

₹ in Crore

Particulars	2025-2026	2024-2025
Inventories at the end of the year		
Finished Goods	35.62	18.93
Traded Goods	8.91	14.06
	44.53	32.99
Inventories at the beginning of the year		
Finished Goods	18.93	14.08
Traded Goods	14.06	12.04
	32.99	26.12
	(11.54)	(6.87)



Standalone Notes to Financial Statements

for the year ended 31 March 2026

21 Employee Benefits Expense

₹ in Crore

Particulars	2025-2026	2024-2025
Salaries, wages and bonus	30.49	23.53
Contribution to employees' provident and other funds	0.49	0.44
Gratuity expense	0.52	0.34
Staff welfare expenses	0.15	0.16
	31.65	24.47

22 Finance costs

₹ in Crore

Particulars	2025-2026	2024-2025
Interest on borrowings	6.42	12.15
Interest expense on lease liabilities	0.23	0.22
Bank charges	1.65	2.11
	8.30	14.48

23 Depreciation / Amortization (Refer Note 3, 4 and 5)

₹ in Crore

Particulars	2025-2026	2024-2025
Depreciation on property, plant and equipment	7.41	7.00
Depreciation on investment property	0.63	0.44
Amortisation on intangible assets	-	-
Amortisation of right-of-use assets	0.51	0.52
	8.55	7.96

24 Other Expenses

₹ in Crore

Particulars	2025-2026	2024-2025
Power and fuel	2.14	1.68
Water charges	0.08	0.12
Repairs and maintenance :		
Buildings	0.44	0.65
Machinery	1.38	1.37
Others	1.25	1.40
Insurance	1.92	2.29
Rent	0.87	0.73
Rates and taxes	1.02	1.39
Communication costs	0.27	0.27
Legal and professional fees	1.43	1.20
Payment to auditor (Refer details below)	0.24	0.24
Director sitting fees	0.10	0.11
Clearing and forwarding expenses	39.49	52.86
Freight outwards	33.19	31.91
Travelling and conveyance	5.16	5.14
Advertising and sales promotion	0.27	0.35
Brokerage and commission	4.85	3.17
Security charges	1.04	0.84
Bad debts and sundry balances written off	2.26	0.50
CSR expense and donation (Refer note 25)	3.88	4.34
Premium on forward exchange contract amortized	0.35	0.31
Exchange loss (net)	-	4.37
Miscellaneous expenses	3.49	2.85
	105.12	118.09

Standalone Notes to Financial Statements

for the year ended 31 March 2026

24 Other Expenses (Contd..)

Payment to auditor (excluding GST)

₹ in Crore

Particulars	2025-2026	2024-2025
As auditor:		
Statutory audit and limited review fees	0.20	0.20
Tax audit fees	0.03	0.03
Certification charges	0.01	0.01
Taxation matters	-	-
	0.24	0.24

25. During the year under review, the Company was required to spend an amount of ₹3.79 crores (after excluding the excess amount of ₹0.06 crores carried forward from the previous year) towards CSR activities as stipulated under Schedule VII of the Act. The Company has spent an amount of ₹3.79 crores towards our CSR initiatives. The details are as under:-

₹ in Crore

Particulars	2025-2026	2024-2025
(i) Amount required to be spent by the company during the year*	3.79	4.26
(ii) Amount of expenditure incurred,	3.79	4.32
(iii) Shortfall/(excess) at the end of the year,	-	(0.06)
(iv) Excess amount carry forward from previous year	0.06	0.05
(iv) Total of previous years shortfall,	Nil	Nil
(v) Reason for shortfall,	NA	NA
(vi) Nature of CSR activities,	Promoting Education and Healthcare	
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

*After set-off of excess ₹ 0.06 crores carried forward from the previous year 2024-25 (₹3.85 crores - ₹0.06 crores)

26. Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Refer Note
Current Ratio	Current Assets	Current Liabilities	3.02	4.09	(26.18)%	(i)
Debt-Equity Ratio	Total Debt	Total Equity	0.05	-	100.00%	(ii)
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	25.32	12.46	103.27%	(iii)
Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	14.43%	13.04%	10.66%	
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	4.96	5.17	(4.03)%	
Trade Receivables turnover ratio,	Net Credit Sales	Avg. Accounts Receivable	4.52	4.59	(1.51)%	
Trade payables turnover ratio,	Net Credit Purchases	Average Trade Payables	7.72	6.96	10.86%	
Net capital turnover ratio,	Net Sales	Working Capital	2.81	2.90	(3.03)%	
Net Profit Ratio	Net Profit	Net Sales	7.30%	6.57%	11.24%	
Return on Capital employed	Earnings before interest and taxes	Capital Employed	19.14%	18.49%	3.55%	
Return on Investment						
Quoted	Income generated from investments	Time weighted average investments	10.82%	1.35%	698.33%	(iv)
Unquoted	Income generated from investments	Time weighted average investments	-	0.00	0.00%	



Standalone Notes to Financial Statements

for the year ended 31 March 2026

26. Ratio Analysis (Contd..)

- (i) The increase in accounts payable and short term borrowings contributed to the decrease in the current ratio.
- (ii) Short term borrowings taken during the year, result in increase in Debt-Equity ratio
- (iii) Increase in EBITA and decrease in finance cost, result in increase in Debt Service Coverage ratio
- (iv) The return on investment increased compared to an increase in the average quoted value of investments result in increase in return on Investment

27. Disaggregated Revenue Information

The table below represents disaggregation of Company's revenue from contracts with the customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

		₹ in Crore
Particulars	2025-2026	2024-2025
Type of goods		
Finished products	1,946.00	1,761.37
Traded products	15.81	14.35
Total revenue from contracts with the customers	1,961.81	1,775.72
Geographical markets		
- India	1,343.12	1,239.46
- Outside India	618.69	536.26
Total revenue from contracts with the customers	1,961.81	1,775.72
Relation with customer		
- Non related party	1,961.81	1,775.72
- Related Party	-	-
Total revenue from contracts with the customers	1,961.81	1,775.72
Timing of revenue recognition		
- Goods transferred over a period of time	-	-
- Goods transferred over a point of time	1,961.81	1,775.72
Total revenue from contracts with the customers	1,961.81	1,775.72

28. Commitments and Contingencies

i. Contingent Liabilities

Claims against the Company not acknowledged as debts*:

		₹ in Crore
Particulars	2025-2026	2024-2025
i. Demand/ Show cause-cum-demand notices received and contested by the Company with the relevant appellate authorities		
a) Income tax disputed Income Tax Appellate Tribunal (ITAT)*	13.33	13.33
b) Income tax disputed Commissioner Appeal	0.16	-
c) Customs Matter disputed Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai	15.84	15.84
ii. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4.62	6.95
iii. Others		
a) Bank Guarantees	8.54	3.51
b) Corporate Guarantees	159.97	144.63

*The Company has received an order from the Commissioner of Income Tax (Appeals) [CIT(A)] for the relevant assessment year(s), wherein partial relief has been granted. The Income Tax Department has filed an appeal before the Income Tax Appellate Tribunal (ITAT) against the relief allowed by the CIT(A). The matter is currently pending adjudication.

*The management does not expect these claims to succeed. Accordingly no provision for contingent liability has been recognized in the financial statements.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

29. Details of dues to micro and small enterprises as defined under the MSMED Act 2006*

₹ in Crore

Particulars	31 March 2026	31 March 2025
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	5.23	7.77
- Interest due on above	-	-
b. The amount of interest paid by the buyer in terms of section 16 of the Micro and Small enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro and Small Enterprises Development Act, 2006.	-	-

*The company has initiated the process of identification of suppliers registered under Micro and Small Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received as at the balance sheet date.

30. Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013

₹ in Crore

Name of the company	31-Mar-26	31-Mar-25
Receivable from subsidiary against reimbursement of expenses		
Panol Industries RMC FZE, UAE	1.59	1.13
Guarantees given:		
Panol Industries RMC FZE, UAE (Corporate Guarantee US \$ 1.69 crores PY US \$ 1.69 crores)*	159.97	144.63

* guarantee given against working capital loan received from banks

31. Employee Benefits:

i) Defined Contribution Plan:

Company's contribution to Provident Fund ₹ 0.46 Crore (Previous year ₹ 0.41 Crore).

The company also contributes to the following:

- Employee State Insurance Contribution Fund : ₹ 0.03 Crore (Previous year ₹ 0.03 Crore)

ii) Defined Benefit Plan:

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the Company's financial statements:

₹ in Crore

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Change in the obligation benefits:		
Projected benefit obligation at the beginning of the year	3.40	2.92
Service Cost	0.26	0.24
Interest cost	0.19	0.17
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(0.11)	0.12
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	-	-

Standalone Notes to Financial Statements

for the year ended 31 March 2026

31. Employee Benefits: (Contd..)

₹ in Crore

Particulars	As at 31 March 2026	As at 31 March 2025
Actuarial (Gains) / Losses on Obligations - Due to Experience	0.23	0.15
Past Service Cost	0.14	-
Benefits paid	(0.24)	(0.20)
Projected benefit obligation at the end of the year	3.87	3.40
(b) Change in the plan assets:		
Fair value of the plan assets at the beginning of the year	1.55	1.42
Expected return on plan assets*	-	0.13
Employer's contribution	-	-
Benefits paid	-	-
Return on plan assets, excluding interest income	-	-
Fair value of the plan assets at the end of the year	1.55	1.55
Funded status [Surplus / (Deficit)]	(2.32)	(1.85)
(c) Net Gratuity and other cost:		
Service cost	0.26	0.24
Past service cost and loss/(gain) on curtailments	0.14	-
Interest on defined benefit obligation	0.12	0.10
Interest income	-	-
Net gratuity cost	0.52	0.34
(d) Amounts recognized in the statement of other comprehensive income:		
Due to Change in financial assumptions	(0.11)	0.11
Due to change in demographic assumption	-	-
Due to experience adjustments	0.23	0.15
Return on plan assets, excluding interest income	0.07	(0.05)
Net income / (expense) for the period recognized in other comprehensive income	-	-
	0.19	0.21
(e) Category of Assets:		
Policy of Insurance	100%	100%
	100%	100%
(f) Assumptions used in accounting for the Gratuity Plan:	%	%
Discount rate	7.15%	6.65%
Expected rate of return on plan assets	7.15%	6.65%
Age of Retirement	60	60
Annual increase in salary cost	6.00%	6.00%
(g) Sensitivity Analysis :		
Discount rate Sensitivity		
Increase by 0.5%	3.76	3.30
% Change	(2.70%)	(2.91%)
Decrease by 0.5%	3.98	3.51
% Change	2.88%	3.12%
Salary growth rate Sensitivity		
Increase by 0.5%	3.93	3.47
% Change	1.74%	2.07%
Decrease by 0.5%	3.79	3.33
% Change	(1.83%)	(2.22%)
Withdrawal rate Sensitivity		
Withdrawal rate X 110%	3.88	3.41
% Change	0.30%	0.22%
Withdrawal rate X 90%	3.85	3.40
% Change	(0.32%)	(0.23%)

Standalone Notes to Financial Statements

for the year ended 31 March 2026

31. Employee Benefits: (Contd..)

(h) Projected plan cash flow :

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date

₹ in Crore

Particulars	As at 31 March 2026	As at 31 March 2025
Maturity Profile		
Expected benefits for year 1 to 3	1.79	1.50
Expected benefits for year 4 to 5	0.76	0.40
Expected benefits for year 6 and above	1.28	1.32

*Amount appears as NIL as financials statement reported in ₹ Crore, rounded up to two decimals.

32. Segment Information

A. Factors used to identify the entity's reportable segments, including the basis of organization

For management purposes, as the Company is in the business of manufacturing and trading of specialty petroleum products, the Company has considered petroleum products as the only business segment for disclosure in this context of Indian Accounting Standard 108.

The Managing Director (MD) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segment. The MD reviews revenue and gross profit as the performance indicator for the operating segment. However, the Company's finance (including finance cost and finance income) and income taxes are managed on a company as a whole basis and are not allocated to any segment.

Geographical segment of the organization

For the purpose of geographical segment the sales are divided into two segments - Domestic and Overseas. The accounting policies of the segments are the same as those described in Note 2 (O)

B. Information about reportable segment

The following table shows the distribution of the Company's reportable segment by geographical market, regardless of where the goods were produced:

₹ in Crore

Particulars	2025-2026			2024-2025		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue						
Sales to external customers	1343.12	618.69	1961.81	1239.46	536.26	1775.72
Other segment information						
Non-current Assets*	282.13	-	282.13	262.34	-	262.34

*Non-current assets excludes investment in subsidiaries, Other investments, Other financials assets, Income tax assets (Net) and Deferred tax assets (Net).

Significant Customer

No Customer individually accounted for more than 10% of the revenue in the year ended 31 March 2026 and 31 March 2025.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

33. Details of related party transactions in accordance with Ind AS 24 'Related Party Disclosures'

(a) Names of related parties with whom transactions have taken place during the year

Key Management Personnel	Designation
Arif Rayani	Executive Chairman
Samir Rayani	Managing Director & CEO
Hussein Rayani	Joint Managing Director
Amirali E Rayani	Executive Whole-Time Director
Pramod Maheshwari	Chief Financial Officer
Gayatri Sharma	Company Secretary & Compliance Officer
Independent Director	
Almas Nanda	Independent Director
Kumar Raju Nandimandalam	Independent Director
Ashok Mukhi	Independent Director
Arvind Shah	Independent Director
Relatives of key management personnel	Relation
Akbarali Rayani	Brother of Mr. Amirali E Rayani
Vazirali Rayani	Brother of Mr. Amirali E Rayani
Salimali Rayani	Brother of Mr. Amirali E Rayani
Amin A Rayani	Brother of Mr. Arif Rayani
Nilima Kheraj	Sister of Mr. Samir Rayani
Munira Rayani	Wife of Mr. Hussein Rayani
Serena Rayani	Brother's Wife of Hussein Rayani
Subsidiary	Type
Panol Industries RMC FZE, UAE	Wholly owned

(b) Transactions with Related Parties

Particulars	₹ in Crore	
	2025-2026	2024-2025
Key Managerial remuneration*		
Short term benefits	20.90	14.45
Director sitting fees	0.10	0.11
Remuneration paid to Relative of Key Managerial Personnel		
Short term benefits		
Akbarali Rayani	0.05	0.05
Vazirali Rayani	0.05	0.05
Salimali Rayani	0.05	0.05
Nilima Kheraj	0.05	0.05
Munira Rayani	0.05	0.05
Amin A Rayani	0.26	0.12
Serena Rayani	-	0.12
Transaction with Subsidiary		
Corporate Guarantee Given (US \$ 1.69 crores PY US \$ 1.69 crores)	159.97	144.63
Commission charged on Corporate Gurantee	1.55	2.08
Balances at the end of the year with wholly owned subsidiary		
Receivable from Subsidiary	1.59	1.13

*Key managerial remuneration related to retirement benefits (i.e. Gratuity) are recognized under Employee benefit expenses in Statement of Profit and Loss along with other employees gratuity costs of the Company based on the actuarial valuation carried out by the Independent Actuary.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

34. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations :

₹ in Crore

Particulars	2025-2026	2024-2025
Profit after tax attributable to equity shareholders	143.28	116.59
Net profit for calculation of basic and diluted EPS	143.28	116.59

Particulars	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	60,493,598	60,493,598
Basic Earnings per share	23.69	19.27
Diluted Earnings per share	23.69	19.27

35. Tax expense

(a) Amounts recognized in the statement of profit and loss

₹ in Crore

Particulars	2025-2026	2024-2025
Current tax expense		
Current year	49.50	39.50
Changes in estimates relating to prior years	-	0.88
	49.50	40.38
Deferred tax expense		
Origination and reversal of temporary differences	0.54	0.97
Change in tax rate	-	-
	0.54	0.97
Tax expense recognized in the statement of profit and loss	50.04	41.35

(b) Amounts recognized in other comprehensive income

₹ in Crore

Particulars	2025-2026			2024-2025		
	Before Tax	Tax (expense)/benefit	Net of Tax	Before Tax	Tax (expense)/benefit	Net of Tax
Items that will not be reclassified to profit or loss:						
a) Re-measurements of the defined benefit plans	(0.19)	0.05	(0.14)	(0.21)	0.05	(0.16)
b) Equity instruments through Other Comprehensive Income	(7.33)	1.20	(6.13)	(4.15)	1.04	(3.11)
Total	(7.52)	1.25	(6.27)	(4.36)	1.09	(3.27)

(c) Reconciliation of effective tax rate

₹ in Crore

Particulars	Year ended 31.3.2026	Year ended 31.3.2025
Profit before tax	193.32	157.94
Statutory income tax rate	25.168	25.168
Tax using the Company's domestic tax rate	48.65	39.75
Increase due to change in tax rate	-	-
Tax effect of:		
Non-deductible tax expenses / disallowances under Income Tax Act	1.04	1.16
Tax-exempt income and deductions under Chapter VI A of Income Tax Act	-	(0.05)
Changes in estimates relating to prior years	-	0.88
Others	0.35	(0.39)
Amounts recognized in other comprehensive income	-	-
	50.04	41.35

Standalone Notes to Financial Statements

for the year ended 31 March 2026

35. Tax expense (Contd..)

(d) Movement in deferred tax balances

As at 31.03.2026

₹ in Crore

Particulars	Net balance 1.4.2025	Recognized in profit or loss	Recognized in OCI	Net balance 31.3.2026	Deferred tax asset	Deferred tax liability
Movement in Liability						
Property, plant and equipment and intangible assets	12.68	0.55	-	13.23	-	13.23
Deferred tax on ROU	0.08	(0.04)	-	0.04	-	0.04
Prepaid expenses	0.01	-	-	0.01	-	0.01
Total (A)	12.77	0.51	-	13.28	-	13.28
Movement in Asset						
Employee Retirement Benefits	0.47	0.06	0.05	0.58	0.58	-
Investment	0.84	-	1.20	2.04	2.04	-
Provision for doubtful debts and advances	0.03	(0.03)	-	-	-	-
Provision for ECL	0.21	(0.01)	-	0.20	0.20	-
Deferred tax on lease	0.10	(0.05)	-	0.05	0.05	-
Total (B)	1.65	(0.03)	1.25	2.87	2.87	-
Tax assets / (liabilities) (A-B)	(11.12)	(0.54)	1.25	(10.41)	2.87	(13.28)

As at 31.03.2025

₹ in Crore

Particulars	Net balance 1.4.2024	Recognized in profit or loss	Recognized in OCI	Net balance 31.3.2025	Deferred tax asset	Deferred tax liability
Movement in Liability						
Property, plant and equipment and intangible assets	11.66	1.02	-	12.68	-	12.68
Deferred tax on ROU	0.12	(0.04)	-	0.08	-	0.08
Prepaid expenses	0.01	-	-	0.01	-	0.01
Investment	0.20	-	1.04	(0.84)	0.84	-
Total (A)	11.99	0.98	1.04	11.93	0.84	12.77
Movement in Asset						
Employee Retirement Benefits	0.38	0.04	0.05	0.47	0.47	-
Provision for doubtful debts and advances	0.05	(0.02)	-	0.03	0.03	-
Provision for ECL	0.19	0.02	-	0.21	0.21	-
Deferred tax on lease	0.13	(0.03)	-	0.10	0.10	-
Total (B)	0.75	0.01	0.05	0.81	0.81	-
Tax assets / (liabilities) (A-B)	(11.24)	(0.97)	(0.99)	(11.12)	1.65	(12.77)

36. Financial Instruments : Accounting classifications and fair value measurements

(i) Accounting classifications

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, short term deposits, trade payables, payables for acquisition of property, plant and equipment, short term loans from banks, financial institutions and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

36. Financial Instruments : Accounting classifications and fair value measurements (Contd..)

(ii) Fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents carrying value and fair value of financial instruments by categories and also fair value hierarchy of assets and liabilities measured at fair value :

As at 31st March, 2026

₹ in Crore

Particulars	Classification				Fair Value
	Carrying Value	FVTPL	FVTOCI	Amortized Cost	
Financial assets					
Investments					
Investment in equity shares (unquoted)	14.33	-	14.32	0.01	14.33
Investment in equity shares (quoted)	19.60	-	19.60	-	19.60
Others non current financial assets	0.70	-	-	0.70	0.70
Trade receivables	472.74	-	-	472.74	472.74
Loans and advances					
Loans to employees	1.01	-	-	1.01	1.01
Others	15.01	-	-	15.01	15.01
Other financial assets					
Derivative instruments	0.43	0.43	-	-	0.43
Others	6.48	-	-	6.48	6.48
Cash and cash equivalents	32.28	-	-	32.28	32.28
Bank balances	1.12	-	-	1.12	1.12
	563.70	0.43	33.92	529.35	563.70
Financial liabilities					
Lease liabilities	0.19	-	-	0.19	0.19
Borrowings					
Short term loans from banks	52.17	-	-	52.17	52.17
Trade payables and acceptances	273.84	-	-	273.84	273.84
Derivative instruments	-	-	-	-	-
Other financial liabilities	4.67	-	-	4.67	4.67
	330.87	-	-	330.87	330.87

As at 31st March, 2025

₹ in Crore

Particulars	Classification				Fair Value
	Carrying Value	FVTPL	FVTOCI	Amortized Cost	
Financial assets					
Investments					
Investment in equity shares (unquoted)	0.01	-	-	0.01	0.01
Investment in equity shares (quoted)	18.84	-	18.84	-	18.84
Others non current financial assets	0.69	-	-	0.69	0.69
Trade receivables	395.17	-	-	395.17	395.17

Standalone Notes to Financial Statements

for the year ended 31 March 2026

36. Financial Instruments : Accounting classifications and fair value measurements (Contd..)

₹ in Crore

Particulars	Classification				
	Carrying Value	FVTPL	FVTOCI	Amortized Cost	Fair Value
Loans and advances					
Loans to employees	0.82	-	-	0.82	0.82
Others	10.27	-	-	10.27	10.27
Other financial assets					
Derivative instruments	-	-	-	-	-
Others	3.89	-	-	3.89	3.89
Cash and cash equivalents	32.96	-	-	32.96	32.96
Bank balances	1.18	-	-	1.18	1.18
	463.83	-	18.84	444.99	463.83
Financial liabilities					
Lease liabilities	0.38	-	-	0.38	0.38
Borrowings					
Short term loans from banks	2.49	-	-	2.49	2.49
Trade payables and acceptances	183.90	-	-	183.90	183.90
Derivative instruments	1.01	1.01	-	-	1.01
Other financial liabilities	4.16	-	-	4.16	4.16
	191.94	1.01	-	190.93	191.94

₹ in Crore

Particulars	As at 31 March 2026			As at 31 March 2025		
	Fair Value			Fair Value		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
Investment in equity shares (quoted)	19.60	-	-	18.84	-	-
Investment in equity shares (unquoted)	-	14.32	-	-	-	-
Others non current financial assets	-	-	-	-	-	-
Loans and advances						
Derivative instruments	-	0.43	-	-	-	-
	19.60	14.75	-	18.84	-	-

During the reporting period ending 31st March, 2026 and 31st March, 2025, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements.

(iii) Description of significant observable inputs to valuation:

The following table shows the valuation techniques used to determine fair value :

Type	Valuation technique
Investments in equity shares (unquoted)	Fair Value
Investments in equity shares (quoted)	Fair Value
Loan to employees	Based on prevailing market interest rate
Derivative instruments	Fair valued based on prevailing market rate at each closing date
Short term loans from banks	Based on quotes from banks and financial institutions

Standalone Notes to Financial Statements

for the year ended 31 March 2026

37. Financial risk management

Risk management framework

The Company has identified financial risks and categorized them in three parts viz. (i) Credit Risk, (ii) Liquidity Risk and (iii) Market Risk. Details regarding sources of risk in each such category and how Company manages the risk is explained in following notes:

(i) Credit risk

Credit risk refers to the possibility of a customer and other counterparties not meeting their obligations and terms and conditions which would result into financial losses. Such risk arises mainly from trade receivables and investments. Credit risk is managed through internal credit control mechanism such as credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade receivables

As per the credit policy of the Company, generally no credit are given exceeding the accepted credit norms. The Company deals with large corporate houses and State Electricity Boards after considering their credit standing. The credit policy with respect to other customers is strictly monitored by the Company at periodic intervals. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers. In addition, for amounts recoverable on exports, the Company has adequate insurance to mitigate overseas customer and country risk.

The Company uses an allowance matrix to measure the expected credit losses of trade receivables (which are considered good). The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) for trade receivables:

₹ in Crore

Ageing	As at 31 st March, 2026			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-180 days past due	1.69	6.46%	0.11	1.58
180-365 days past due	0.12	13.09%	0.02	0.10
More than 365 days past due	1.05	18.20%	0.19	0.86
Credit impaired	0.46	100.00%	0.46	-
	3.32	23.49%	0.78	2.54

₹ in Crore

Ageing	As at 31 st March, 2025			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-180 days past due	2.96	6.30%	0.19	2.77
180-365 days past due	0.29	12.78%	0.03	0.26
More than 365 days past due	3.53	17.76%	0.63	2.90
Credit impaired	0.14	100.00%	0.14	-
	6.92	14.31%	0.99	5.93

Note:- Impairment under expected credit loss includes ₹ 0.14 Crore for doubtful debts P.Y. ₹ 0.14 Crore

Cash and cash equivalents

The Company held cash and cash equivalents of ₹32.28 Crore as at 31.3.2026 (31.3.2025: ₹32.96 Crore). The cash and cash equivalents are held with banks with good credit ratings. Also, the Company invests its surplus funds in bank fixed deposits, which carry no / low mark to market risks for short duration and therefore, does not expose the Company to credit risk.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

37. Financial risk management (Contd..)

Derivatives

The forward contracts were entered into with banks having an investment grade rating and exposure to counterparties is closely monitored and kept within the approved limits.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations on due date. The Company has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. This is ensured through proper financial planning with detailed annual business plans, discussed at appropriate levels within the organization. Annual business plans are divided into quarterly plans and put up to management for detailed discussion and an analysis of the nature and quality of the assumptions, parameters etc. Daily and monthly cash flows are prepared, followed and monitored at senior levels to prevent undue loss of interest and utilize cash in an effective manner. Cash management services are availed to avoid any loss of interest on collections. In addition, the Company has adequate borrowing limits with reputed banks in place duly approved.

a) Financing arrangements

The Company has an adequate fund and non-fund based limits lines with various banks. The Company's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. The financing products include working capital loans, buyer's credit loan, supplier's credit loan etc.

b) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows

As at 31.3.2026

₹ in Crore

Particulars	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Short term Borrowings	-	52.17	-	-	-	52.17
Trade payables	-	273.84	-	-	-	273.84
Creditors for capital goods	-	0.69	-	-	-	0.69
Deposits	3.05	-	-	-	-	3.05
Lease Liability	-	0.12	0.03	0.05	-	0.20
Derivative (Forward Contract)	-	-	-	-	-	-
Total	3.05	326.82	0.03	0.05	-	329.95

As at 31.3.2025

₹ in Crore

Particulars	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Short term Borrowings	-	2.49	-	-	-	2.49
Trade payables	-	183.90	-	-	-	183.90
Creditors for capital goods	-	0.28	-	-	-	0.28
Deposits	2.88	-	-	-	-	2.88
Lease Liability	-	0.14	0.05	0.23	-	0.42
Derivative (Forward Contract)	-	1.01	-	-	-	1.01
Total	2.88	187.82	0.05	0.23	-	190.98

(iii) Market Risk

The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price. Market risk further comprises of (a) Currency risk, (b) Interest rate risk and (c) Commodity risk.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

37. Financial risk management (Contd..)

a) Currency Risk

The Company is exposed to currency risk mainly on account of its import payables and export receivables in foreign currency. The major exposures of the Company are in U.S. dollars. The Company hedges its import foreign exchange exposure partly through exports and depending upon the market situations partly through forward foreign currency covers. The Company has a policy in place for hedging its foreign currency exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Particulars	31-Mar-26			
	\$ In Crore	Euro In Crore	AED In Crore	₹ in Crore
Financial assets				
Trade Receivables	1.57	0.01	0.28	157.09
Cash and cash equivalents	0.25	-	0.21	28.99
Net exposure for assets - A	1.82	0.01	0.49	186.08
Financial liabilities				
Trade Payables	2.26	-	-	214.01
Less: Foreign currency forward exchange contracts	0.15	-	-	14.20
Net exposure for liabilities - B	2.11	-	-	199.82
Net exposure (A-B)	(0.29)	0.01	0.49	(13.74)

Particulars	31-Mar-25			
	\$ In Crore	Euro In Crore	AED In Crore	₹ in Crore
Financial assets				
Trade Receivables	1.21	0.03	0.27	112.21
Cash and cash equivalents	0.12	-	-	10.18
Net exposure for assets - A	1.33	0.03	0.27	122.39
Financial liabilities				
Trade Payables	1.70	-	0.02	145.62
Less: Foreign currency forward exchange contracts	1.21	-	-	103.20
Net exposure for liabilities - B	0.49	-	0.02	42.42
Net exposure (A-B)	0.84	0.03	0.25	79.97

The following exchange rates have been applied at the end of the respective years

	31-Mar-26	31-Mar-25
USD Rate	94.65	85.58
EURO Rate	109.01	92.60
AED Rate	25.77	23.28

Sensitivity analysis

The table below shows sensitivity of open forex exposure to USD / INR, EURO / INR and AED / INR movement. We have considered 1% (+/-) change in each of rates mentioned above, increase indicates appreciation in respective rates whereas decrease indicates depreciation in respective rates. The indicative 1% movement is directional and does not reflect management forecast on currency movement.

Impact on profit or loss due to % increase / (decrease) in currency (in Cr)

Particulars	2025-2026		2024-2025	
	Increase	(Decrease)	Increase	(Decrease)
Movement (%)	1%	1%	1%	1%
USD	(0.28)	0.28	0.72	(0.72)
EURO	0.01	(0.01)	0.03	(0.03)
AED	0.13	(0.13)	0.06	(0.06)

Standalone Notes to Financial Statements

for the year ended 31 March 2026

b) Interest rate risk

The Company is not exposed to significant interest rate risk during the respective reporting periods. Short term loans are taken on fixed interest rates.

(i) Interest Rate Risk Exposure

The Exposure of the borrowing to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period the following weighted average interest rate on the borrowings.

₹ in Crore

Particulars	2025-2026			2024-2025		
	Weighted average Interest rate	Balance ₹ in Crore	% of Total Loans	Weighted average Interest rate	Balance ₹ in Crore	% of Total Loans
Cash Credits from banks	9.90	32.17	61.66%	10.50	2.49	100%

The percentage of total loans shows the proportion of loans that are currently at weighted average in relation to the total amount of borrowings.

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rate. In interest rate risk note we have considered impact on profit after tax.

Particulars	2025-2026		2024-2025	
	Increase	(Decrease)	Increase	(Decrease)
Movement by 100 basis point	0.24	[0.24]	0.02	[0.02]

c) Commodity Risk

Raw Material Risk

Timely availability and also non-availability of good quality base oils from across the globe could negate the qualitative and quantitative production of the various products of the Company. Volatility in prices of crude oil and base oil is another major risk for this segment. The Company procures base oils from various suppliers scattered in different parts of the world. The Company tries to enter into long term supply contracts with regular suppliers and at times buys the base oils on spot basis.

38. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

38. Capital Management (Contd..)

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following ratio: Net debt (total borrowings net of cash and cash equivalents and Liquid investments) divided by Total 'equity' (as shown in the special purpose statement of financial position)

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Net debt (Refer note (i) below)	20.08	(30.09)
Equity (Refer note (ii) below)	1,053.17	932.62
Net Debt to Equity	0.02	(0.03)

- i) Net Debt comprises of total borrowings (including interest accrued but not due) and lease liabilities reduced by Cash and cash equivalents and Bank balances other than cash and cash equivalents.
- (ii) Equity comprises of Equity share capital and other equity.

39. Benami Transactions

The Company does not hold any Benami Property as defined under Benami Transactions (Prohibition) Act (45) of 1988 and rules made thereunder.

40. Transactions with struck off Companies

The Company does not have any transactions with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956, during the financial year ending 31 March 2026 and 31 March 2025.

41. Restriction on number of layers

The Company has complied with the number of layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

42. Undisclosed Income

The Company does not have any undisclosed income during the financial year ended 31 March 2026 and 31 March 2025.

43. Crypto/Virtual Currency

The Company does not traded or invested in Crypto Currency or Virtual Currency during the financial year ended 31 March 2026 and 31 March 2025.

44. Code on Social Security, 2020

On November 21, 2025, the Government of India brought into force provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the "Labour Codes". The Labour Codes consolidate twenty-nine existing Central labour laws and introduce, among other matters, a uniform definition of wages and certain changes relating to employee benefits.

The Company has assessed the potential financial impact of the Labour Codes on its employee benefit obligations, including gratuity and compensated absences. Based on such assessment, including the basis presently considered by the Company for determining eligible wages for such employee benefits, the impact on the measurement of gratuity and leave encashment liabilities is not material to the financial statements for the year ended March 31, 2026 hence not disclosed under Exceptional Items.

Accordingly, incremental adjustment has been recognised in the Standalone Statement of Profit and Loss for the year ended March 31, 2026 on account of the Labour Codes. The Company will continue to monitor further developments, including final notification of applicable Rules and implementation guidance, and will evaluate any impact, if applicable, in future periods.

Standalone Notes to Financial Statements

for the year ended 31 March 2026

45. Utilization of borrowed funds and share premium

- (a) No funds (which are material either individually or in the aggregate) 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 entity ("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) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

46. Rounding off amount

The amount of financial statements of the company have been reported in ₹(in Crore) rounded off to 2 decimals. However, while doing so, some of the above reported amounts might appear as 00 due to rounding off of amounts.

47. Previous year figures

The company has reclassified previous year figures to conform to this year's classification.

48. Subsequent Event

There are no subsequent events after the reporting period as confirmed by management.

49. Authorization for issue of the Financial Statements

The Financial Statements were authorized for issue by the Management under the direction of the Board of Director on May 29, 2026.

Signature to Notes 1 to 49 of the financial statements

As per our report of even date attached

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No : 114003

Place: Mumbai

Date : 29 May 2026

For and on behalf of the board of directors of

Panama Petrochem Limited

Arif A. Rayani

Chairman

DIN: 00245647

Place: Mumbai

Date : 29 May 2026

Pramod Maheshwari

CFO

Place: Mumbai

Date : 29 May 2026

Samir A. Rayani

Managing Director & CEO

DIN:00002674

Place: Mumbai

Date : 29 May 2026

Gayatri Sharma

Company Secretary & Compliance Officer

Place: Mumbai

Date : 29 May 2026

Independent Auditor's Report

To
The Members of
Panama Petrochem Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Panama Petrochem Limited** ("Holding Company") and its subsidiary company i.e. **Panol Industries RMC FZE** (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1	Inventory Existence The Group recognized inventory of ₹668.64 crores as at 31 March 2026 Inventory held at various locations across India, outside India. Within Each Location, inventory is stored in warehouses, tanks, containers and tanks attached to the Bonded Custom Warehouse. This is a key audit matter because of the - Significance of the inventory balance to the statement of financial position and - Complexity involved in determining inventory quantities on hand due to the number, conversion from Ltr. to Kgs., location and diversity of inventory storage locations, inventories lying with third parties etc.	We attended inventory counts at locations except the inventory of subsidiary, which we selected based on financial significance and risk. For locations attended, we performed the following procedures at each site: - Selected a sample of inventory items and compared the quantities we counted with the book balance. - Observed a sample of managements inventory count procedures to assess compliance with Groups Policy and - Made enquiries regarding obsolete inventory items and inspected the condition of items counted. - Tested whether necessary adjustments are recorded in the financial statements for all material differences arising from physical stock counts.

Sr. No.	Key Audit Matter	Auditor's Response
2	Assessment of contingent liabilities and provisions related to Taxation, Litigations and claims:	- Evaluated the design and implementation of the controls over physical verification of inventories and tested the operating effectiveness of the controls during the year. - For stocks at third party warehouses, obtained confirmations, and as appropriate performed roll-back procedures to tally with stock quantities at the year end, on a sample basis. - Verified the analytical reviews performed by the management such as consumption analysis and stock movement analysis for the year for raw material and finished goods at factories, on a sample basis
	- The company has material uncertain tax positions including matters under dispute relating to direct tax and indirect tax which involves significant judgment to determine the possible outcome of disputes. - Assessment of contingent liabilities disclosure requires Management to make judgments and estimates in relation to the issues and exposures. Whether the liability is Inherently uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective. - The assessment of the existence of the present legal or constructive obligation, analysis of the probability of the related payment and analysis of a reliable estimate, requires management's judgement to ensure appropriate accounting or disclosures. - Due to the level of judgement relating to recognition, valuation and presentation of provisions and contingent liabilities, this is considered to be a key audit matter.	Our audit procedure included following: - Obtaining from the management details of matters under dispute including ongoing and completed tax assessments, demands and other litigations. - Evaluation and testing of the design of internal controls followed by the Company relating to litigations, open tax positions for direct and indirect taxes and other matters and process followed to decide provisioning for the said liabilities or disclosure as Contingent Liabilities. - Discussing with Company's legal and taxation consultant for sufficient understanding of on-going and potential legal matters impacting the Company and the possible outcomes for the same. - We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters. - We have relied on the opinions of the Company where Company has considered that the possibility of cash outflow is remote. - We discussed the status and potential exposures in respect of significant litigation and claims with the Company's Management including their views on the likely outcome of each litigations, claims and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors. We assessed the adequacy of disclosures made.

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

The Holding Company's Management and Board of Directors are 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 Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial

statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditors.

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total

comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal 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 Holding 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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, other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a) We did not audit the financial statements of the subsidiary i.e. Panol Industries RMC FZE, whose financial statements reflect total assets of ₹561.02 crores as at 31 March 2026, total revenue of ₹1,103.98 crores and net profit after tax of ₹69.21 crores for the year ended 31 March 2026, total comprehensive income of ₹93.11 crores for the year ended 2026 and net cash outflow of ₹95.01 crores for year ended 31 March 2026, as considered in the consolidated Ind AS financial statements. These financial statements of the subsidiary have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.
- b) Subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in its respective country and which have been reviewed and audited by the other auditor as applicable, under generally accepted auditing standards applicable in its respective country. The Holding Company's Management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the Management of the Holding Company and audited by us. Our opinion is not modified in respect of above matter.

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 of the aforesaid consolidated financial statements, including, inter-alia financial statement of the subsidiary duly audited by the component auditor;
 - b) In our opinion, proper books of account as required by law maintained by the Group, its subsidiary including relevant records relating to preparation of the aforesaid consolidated financial statements have

been kept so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 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 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 internal financial control over financial reporting of the Holding Company, for reasons stated therein. Internal control over financial reporting is not applicable to the subsidiary, which is incorporated outside India.
- 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 Holding 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts, including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
- iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 9 (f) to the consolidated financial statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Holding company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.
2. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the audit report under section 143 issued by us, we report that CARO is applicable only to the Holding Company and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Holding Company.

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

Nikesh Jain

Partner

Membership No. 114003

UDIN: 26114003HEZSVZ8111

Place: Mumbai

Date: 29 May, 2026

Annexure “A” to the Independent Auditors’ Report On the Consolidated Ind As Financial Statements

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Panama Petrochem Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended 31 March 2026, we have audited the internal financial controls over financial reporting of **Panama Petrochem Limited** (hereinafter referred to as “Holding Company”) as of that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Management and the Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls

system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2026, based on the internal control over financial reporting criteria established by the Holding 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 ICAI.

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

Nikesh Jain

Partner

Membership No. 114003

UDIN: 26114003HEZSVZ8111

Place: Mumbai

Date: 29 May, 2026

Consolidated Balance Sheet

as at 31 March 2026

₹ in Crore

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
1. Non-current assets			
(a) Property, Plant and Equipment	3	235.75	232.66
(b) Capital work-in-progress	3.1	47.81	19.17
(c) Investment property	4	35.46	27.28
(d) Right-of-use Assets	3, 5.1	49.33	51.60
(e) Intangible Assets	5.2	-	-
(f) Financial Assets			
(i) Investments	6.1	49.18	18.85
(ii) Others	6.6	0.70	0.69
(g) Other non-current assets	8	7.87	4.64
Total Non Current Assets		426.10	354.89
2. Current assets			
(a) Inventories	7	668.64	409.23
(b) Financial Assets			
(i) Trade Receivables	6.2	573.85	503.48
(ii) Cash and cash equivalents	6.4	71.36	167.05
(iii) Bank Balances other than (ii) above	6.5	11.02	14.62
(iv) Loans	6.3	16.02	11.09
(v) Others	6.6	22.60	14.81
(c) Current Tax Assets (Net)	15	-	2.99
(d) Other Current Assets	8	129.14	45.79
Total Current Assets		1,492.63	1,169.06
Total Assets		1,918.73	1,523.95
Equity and Liabilities			
Equity			
(a) Equity Share Capital	9	12.10	12.10
(b) Other Equity	10	1,456.58	1,242.91
Equity attributable to equity holders of the parent		1,468.68	1,255.01
Non-controlling interests		-	-
Total equity		1,468.68	1,255.01
Liabilities			
1. Non-current Liabilities			
Financial liabilities			
(a) Lease liabilities	11.1	32.49	29.67
(b) Other Non-current Liabilities		-	-
Provisions	12	3.14	2.42
Deferred Tax Liabilities (Net)	13	10.41	11.12
Total Non-current Liabilities		46.04	43.21
2. Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	11.1	0.47	0.44
(ii) Borrowings	11.2	77.90	2.49
(iii) Trade Payables	11.3		
Total outstanding dues of micro enterprises and small enterprises		5.23	7.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		289.06	202.76
(iv) Other Financial Liabilities	11.4	4.67	5.17
(b) Provisions	12	0.26	0.26
(c) Current Tax Liabilities (Net)	15	2.33	-
(d) Other Current Liabilities	14	24.09	6.84
Total Current Liabilities		404.01	225.73
Total Equity and Liabilities		1,918.73	1,523.95
Material Accounting Policies	2		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date attached

For **JMR & Associates LLP**
Chartered Accountants
Firm Registration No. 106912W / W100300

CA. Nikesh Jain
Partner
Membership No : 114003
Place: Mumbai
Date : 29 May 2026

For and on behalf of the board of directors of
Panama Petrochem Limited

Arif A. Rayani
Chairman
DIN: 00245647
Place: Mumbai
Date : 29 May 2026

Pramod Maheshwari
CFO
Place: Mumbai
Date : 29 May 2026

Samir A. Rayani
Managing Director & CEO
DIN:00002674
Place: Mumbai
Date : 29 May 2026

Gayatri Sharma
Company Secretary & Compliance Officer
Place: Mumbai
Date : 29 May 2026

Consolidated Statement of Profit and Loss

for the year ended 31 March 2026

₹ in Crore

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	16	3,064.26	2,792.89
Other income	17	12.74	12.28
Total Income		3,077.00	2,805.17
Expenditure			
Cost of material consumed	18	2,358.55	2,206.73
Purchase of traded goods	19	188.07	136.57
Change in inventories of traded goods and finished goods	20	(11.54)	(6.87)
Employee benefits expense	21	38.94	28.11
Finance costs	22	11.96	18.16
Depreciation and amortization expense	23	13.79	12.37
Other expenses	24	214.69	181.72
Total Expenses		2,814.46	2,576.79
Profit for the year before tax		262.54	228.38
Tax expenses			
Current tax	34	49.50	39.50
Deferred tax	34	0.54	0.97
Short/(excess) provision of tax relating to earlier years		-	0.88
Total tax expenses		50.04	41.35
Profit for the year from continuing operations		212.50	187.03
Other Comprehensive Income			
A) Items that will not be reclassified subsequently to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		(0.19)	(0.21)
(ii) Income tax related to (i) above		0.05	0.05
(iii) Equity instruments through other comprehensive income		(3.44)	(4.15)
(iv) Income tax related to (iii) above		1.20	1.05
B) Items that will be reclassified to profit or loss			
(i) Exchange differences on translation of foreign operations		20.02	4.70
Other Comprehensive Income		17.64	1.44
Total Comprehensive Income		230.14	188.47
Profit attributable to:			
(i) Owners of the Company		212.50	187.03
(ii) Non-controlling interests		-	-
		212.50	187.03
Total comprehensive income attributable to:			
(i) Owners of the Company		230.14	188.47
(ii) Non-controlling interests		-	-
		230.14	188.47
Basic and Diluted earnings per share in ₹(face value of ₹2 each) (Refer Note 33)		35.13	30.92
Material Accounting Policies			
The accompanying notes are an integral part of the consolidated financial statements.			

As per our report of even date attached

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No : 114003

Place: Mumbai

Date : 29 May 2026

For and on behalf of the board of directors of

Panama Petrochem Limited

Arif A. Rayani

Chairman

DIN: 00245647

Place: Mumbai

Date : 29 May 2026

Pramod Maheshwari

CFO

Place: Mumbai

Date : 29 May 2026

Samir A. Rayani

Managing Director & CEO

DIN:00002674

Place: Mumbai

Date : 29 May 2026

Gayatri Sharma

Company Secretary & Compliance Officer

Place: Mumbai

Date : 29 May 2026

Consolidated Cash Flow Statement

for the year ended 31 March 2026

₹ in Crore

Particulars	31 March 2026	31 March 2025
Cash Flows from operating activities		
Profit before tax	262.54	228.38
Adjustments for -		
Depreciation on property, plant and equipment and investment property, ROU and intangible assets	13.79	12.37
Finance costs	11.96	18.16
(Profit)/loss on sale of property, plant and equipment (net)	(0.02)	(0.01)
Foreign currency translation reserve	20.02	4.70
Unrealized foreign exchange loss/(gain)	(0.86)	2.15
Unrealized foreign exchange loss/(gain) on derivative contract	(0.46)	0.70
Interest income	(4.52)	(5.74)
Dividend income	(0.39)	(0.01)
Lease rental received	(7.30)	(6.33)
Bad debts, provision for doubtful debts	(0.13)	0.09
Operating profit before working capital changes	294.63	254.46
(Increase)/decrease in Trade Receivables	(63.70)	(99.48)
(Increase)/decrease in Inventories	(259.41)	82.28
(Increase)/decrease in Loans and advances and other assets	(12.73)	(15.60)
(Increase)/decrease in other current assets	(81.78)	25.65
Increase/(decrease) in Trade Payables	77.37	(34.66)
Increase/(decrease) in other financial liabilities and provisions	20.42	(11.16)
Cash generated from/(used in) operations	(25.20)	201.49
Direct taxes paid (Net of refunds)	(44.18)	(39.38)
Net cash flow from/(used in) operating activity (A)	(69.38)	162.11
Cash flows from investing activities		
Additions to property, plant and equipment and investment property	(54.32)	(27.20)
(Additions)/Proceed to/from Investment (Net)	(32.08)	(20.90)
Sales of property, plant and equipment	0.03	0.04
(Purchase)/maturity of bank deposits (having original maturity of more than three months)	3.60	23.96
Interest received	3.73	5.90
Lease Rental received	6.56	6.33
Dividend received	0.39	0.01
Net cash flow from/(used in) investing activities (B)	(72.09)	(11.86)
Cash flows from financing activities		
Payment of Lease Liabilities	(0.17)	(0.57)
Proceeds/ (Repayment) from/of short-term borrowing (net)	75.41	(23.00)
Interest paid	(12.00)	(18.19)
Dividend paid	(18.22)	(36.10)
Net cash flow from/(used in) financing activities (C)	45.02	(77.86)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(96.45)	72.39
Effect of exchange differences on cash & cash equivalents held in foreign currency	0.76	0.07
Cash and cash equivalents at the beginning of the year	167.05	94.59
Cash and cash equivalents at the end of the year	71.36	167.05
Components of Cash and Cash Equivalents		
Cash on hand	0.58	0.41
With banks		
- on current accounts	70.78	166.64
Total Cash and Cash Equivalents (refer note 6.4)	71.36	167.05

The company can utilize these balances only towards the settlement of the respective unpaid dividend.

Consolidated Cash Flow Statement

for the year ended 31 March 2026

Note :

- The Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind As 7 specified under section 133 of the Companies Act, 2013.
- Cash flow from operating activities includes INR 3.79 Crore (March 31, 2025: INR 4.32 Crore) being expenditure towards Corporate Social Responsibility (Refer Note 25).
- Movements in Financing Activity

Particulars	₹ in Crore	
	Lease	Short term borrowings
Balance at March 31, 2024	0.52	25.49
Additions	30.17	-
Finance cost accrued during the period	1.52	-
Deletions	-	-
Payment	(2.10)	(23.00)
Balance at March 31, 2025	30.11	2.49
Additions	-	75.41
Finance cost accrued during the period	2.38	-
Deletions	(0.03)	-
Translation exchange difference	3.05	-
Payment	(2.55)	-
Balance at March 31, 2026	32.96	77.90

Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date attached

For **JMR & Associates LLP**
Chartered Accountants
Firm Registration No. 106912W / W100300

CA. Nikesh Jain
Partner
Membership No : 114003
Place: Mumbai
Date : 29 May 2026

For and on behalf of the board of directors of
Panama Petrochem Limited

Arif A. Rayani
Chairman
DIN: 00245647
Place: Mumbai
Date : 29 May 2026

Pramod Maheshwari
CFO
Place: Mumbai
Date : 29 May 2026

Samir A. Rayani
Managing Director & CEO
DIN:00002674
Place: Mumbai
Date : 29 May 2026

Gayatri Sharma
Company Secretary & Compliance Officer
Place: Mumbai
Date : 29 May 2026

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Balance at the beginning of the current reporting period	12.10	12.10
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	12.10	12.10
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	12.10	12.10

Other Equity

₹ in Crore

Particulars	Reserves and Surplus				
	Securities Premium Account	General reserve	Retained earnings	Other Comprehensive Income*	Total
Balance as at 1st April, 2025	90.18	29.88	1,106.55	16.30	1,242.91
Changes in the accounting policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the current period	90.18	29.88	1,106.55	16.30	1,242.91
Foreign Currency Translation during the year	-	-	-	-	-
Total comprehensive income for the current year	-	-	212.50	19.32	231.82
Remeasurement of Fair Value of Financial Instruments	-	-	-	-	-
Dividends	-	-	(18.15)	-	(18.15)
Transfer to retained earnings/General reserve	-	4.58	(2.89)	(1.69)	-
Balance as at 31st March, 2026	90.18	34.46	1,298.01	33.93	1,456.58
Grand Total					1,456.58

Other Equity

₹ in Crore

Particulars	Reserves and Surplus				
	Securities Premium Account	General reserve	Retained earnings	Other Comprehensive Income*	Total
Balance as at 1st April, 2024	90.18	22.91	962.66	14.86	1,090.61
Changes in the accounting policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the current period	90.18	22.91	962.66	14.86	1,090.61
Foreign Currency Translation during the year	-	-	-	-	-
Total comprehensive income for the current year	-	-	187.03	1.57	188.60
Remeasurement of Fair Value of Financial Instruments	-	-	-	-	-
Dividends	-	-	(36.30)	-	(36.30)
Transfer to retained earnings/General reserve	-	6.97	(6.84)	(0.13)	-
Balance as at 31st March, 2025	90.18	29.88	1,106.55	16.30	1,242.91
Grand Total					1,242.91

*** Details of Other Comprehensive Income**

₹ in Crore

Particulars	2025-2026			
	Re-measurement of Employees defined benefits	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Total
Balance at the beginning of the current period	(0.19)	(2.51)	19.00	16.30
Other comprehensive Income during the year	(0.14)	(0.56)	20.02	19.32
Transfer to general reserve	-	(1.69)	-	(1.69)
Balance at the end of the current reporting period	(0.33)	(4.76)	39.02	33.93

*** Details of Other Comprehensive Income**

₹ in Crore

Particulars	2024-2025			
	Re-measurement of Employees defined benefits	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Total
Balance at the beginning of the current period	(0.03)	0.59	14.30	-
Other comprehensive Income during the year	(0.16)	(2.97)	4.70	1.57
Transfer to general reserve	-	(0.13)	-	(0.13)
Balance at the end of the current reporting period	(0.19)	(2.51)	19.00	1.44

Notes :

- Securities Premium : Premium collected on issue of securities are accumulated as part of securities premium.
- General Reserve : General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.
- Retained Earning : This represents profits remaining after all appropriations. This is free reserve and can be used for distribution of profits.
- Foreign currency translation : This represents exchange differences arising on the translation of non-monetary assets at the date of the reclassification reserve.

As per our report of even date attached

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No : 114003

Place: Mumbai

Date : 29 May 2026

For and on behalf of the board of directors of

Panama Petrochem Limited**Arif A. Rayani**

Chairman

DIN: 00245647

Place: Mumbai

Date : 29 May 2026

Samir A. Rayani

Managing Director & CEO

DIN:00002674

Place: Mumbai

Date : 29 May 2026

Pramod Maheshwari

CFO

Place: Mumbai

Date : 29 May 2026

Gayatri Sharma

Company Secretary & Compliance Officer

Place: Mumbai

Date : 29 May 2026

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

1. (A) Corporate Group Information

Panama Petrochem Limited is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Panama Petrochem Limited and its subsidiary (collectively referred as "the group"). The Group's principal operations are located in India and its subsidiary operation in United Arab Emirates. The Group is engaged in the manufacture of specialty petroleum products for diverse user industries like printing, textiles, rubber, pharmaceuticals, cosmetics, power and other industrial oil. The equity shares of the Company are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

(B) Subsidiary

Subsidiary is entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(C) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(D) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, net of deferred taxes, are eliminated.

2. Material Accounting Policies:

(A) Basis of Preparation of Financial Statements

(i) **Compliance with Ind AS:** These consolidated financial statements of the Group have been prepared to comply, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) **Classification of assets and liabilities :** All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Deferred tax assets and liabilities are classified as non-current on net basis. For the above purposes, the Company has determined the operating cycle as twelve months based on the nature of products and the time between the acquisition of inputs for manufacturing and their realisation in cash and cash equivalents.

(iii) **Historical cost convention :** The financial statements have been prepared on going concern basis under the historical cost convention except:

- (a) certain financial assets and liabilities (including derivative instruments) and
- (b) defined benefit plans
- (c) assets held for sale - measured at lower of its carrying amount and fair value less costs to sell

Which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

(iv) **Functional and presentation currency :** The Group's functional and presentation currency is Indian Rupee (₹). All amounts disclosed in the financial statements and notes have been rounded off to the nearest (₹Crore), except otherwise indicated.

(v) **Fair value measurement:** The Group measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either

- (a) in the principal market for the asset or liability or
- (b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group's determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(vi) Principles of consolidation

- 1) The consolidated financial statements include the financial statements of Panama Petrochem Limited, the parent company (hereinafter referred to as 'the Company') and its subsidiary (collectively referred to as the 'Group').

The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the parent company and the subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post acquisition increase in the relevant reserves of the subsidiaries.
 - ii. The excess of the cost of acquisition of investments in the subsidiaries over the acquired portion of equity in the subsidiaries is recognized in the financial statements as 'goodwill'. The excess of acquired portion of equity in subsidiaries over the cost of acquisition of investments in the subsidiaries is recognized in the financial statements as 'capital reserve'.
 - iii. Minority interest in the net assets of consolidated subsidiaries consists of:
 - (a) the amount of equity attributable to minorities at the date on which investment in subsidiary is made; and
 - (b) the minorities share of movements in equity since the date the parent and subsidiary relationship came into existence.
 - iv. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
 - v. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible.
- 2) The subsidiary company considered in the consolidated financial statements are:

Name of the Subsidiary	Country of incorporation	Extent of holding (%)	Reporting currency	Effective date of becoming subsidiary
Panol Industries RMC FZE	United Arab Emirates (U.A.E.)	100	AED	1 January 2013

(B) Property, Plant and Equipment

- (i) Freehold land is carried at historical cost and all other property, plant and equipment are shown at cost (net of adjustable taxes) less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises of its purchase price, non refundable / adjustable purchase taxes and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, the

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

initial estimate of any decommissioning obligation, if any and for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The cost also includes trial run cost and other operating expenses such as freight, installation charges etc. The projects under construction are carried at costs comprising of costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and attributable borrowing costs.

- (ii) Stores and spares which meet the definition of property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.
- (iii) When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.
- (iv) An Item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset or significant part) is included in the Statement of Profit and Loss when the asset is derecognized.
- (v) In line with the provisions of Schedule II to the Companies Act, 2013, the Group depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of property, plant and equipment has been assessed based on the historical experience and internal technical inputs.
- (vi) Depreciation on property, plant and equipment is provided as per straight line method based on useful life prescribed under Schedule II to the Companies Act, 2013. The Group has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II.

The property, plant and equipment acquired under finance lease are depreciated over the period of lease. Depreciation on stores and spares specific to an item or property, plant and equipment is based on life of the related property, plant and equipment. In other cases, the stores and spares are depreciated

over their estimated useful life based on the technical assessment.

- (vii) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- (viii) Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. These are stated at cost to date relating to items or project in progress, incurred during construction / preoperative period. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(C) Investment Property

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purpose). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of Ind AS 16 for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the Statement of Profit and Loss in the period in which the property is derecognized.

Depreciation on investment property is provided as per straight line method based on estimated useful life which is considered at 60 years based on internal assessment.

(D) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised on a straight- line basis over their estimated useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Profit and Loss Statement when the asset is derecognized.

Nature of Intangible asset	Useful Life
Computer Software	3 years

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

(E) Borrowing Costs

Borrowing costs are charged to Statement of Profit and Loss except to the extent attributable to acquisition / construction of and asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(F) Impairment of Non-financial Assets

At each balance sheet date, an assessment is made of whether there is any indication of impairment.

If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

(G) Non-current Assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

(H) Inventories

Inventories are valued as follows:

Raw materials, Packing Materials and Traded Goods	Lower of cost or net realizable value. 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 a First In First Out (FIFO) basis. Cost of raw materials comprises of cost of purchase (net of discount) and other cost in bringing the inventory to their present location and condition excluding Input GST credit. Customs duty on stock lying in bonded warehouse is included in cost.
Work-in-progress and Finished goods	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First Out (FIFO) basis.

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

(II) Revenue from contracts with customer:

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of discounts offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

(i) Sale of Goods:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

(ii) Interest income:

Under Ind AS 109, Interest income is recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

impaired assets and financial assets classified as measured at fair value through Profit and loss (FVTPL).

The EIR in case of a financial asset is computed

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instruments in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premium or discounts.

Any subsequent changes in the estimation of the future cash flows is recognized in interest income with the corresponding adjustment to the carrying amount of the assets.

(iii) Net Gain on fair value changes :

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Group on the balance sheet date is recognized as an unrealized gain / loss. In cases there is a net gain in the aggregate, the same is recognized in "Net gains on fair value changes" under "Other Income" and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realized gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at Fair value through Other Comprehensive Income ("FVTOCI") is recognized in net gain / loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortized is presented separately under the respective head in the Statement of Profit and Loss.

(iv) Dividend income:

Dividend income is recognized :

- When the right to receive the payment is established.
- It is probable that the economic benefits associated with the dividend will flow to the entity and
- The amount of the dividend can be measured reliably.

(v) Rental Income:

Revenue is recognized on the basis of income arising from operating lease of investment properties is accounted for on a straight-line basis over the lease unless the payments are structured to increase in line

with the expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in the head "other income" in the Statement of Profit and Loss.

(vi) Others:

Revenue is recognized in respect of export incentives, insurance / other claims etc., when it is reasonably certain that the ultimate collection will be made.

(J) Expenditure on Research and Development

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss under the appropriate heads of expenses. Expenditure relating to property, plant and equipment are capitalized under respective heads.

(K) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in financial statements, are recognized as income or as expenses in the year in which they arise.

(iv) Forward Contracts

The premium or discount arising at the inception of forward exchange contracts is booked as expense or income immediately. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

(L) Employee Benefits

All employee benefits payable wholly within 12 months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Post Retirement Benefits

The Group operates the following post-employment schemes:

- (a) defined benefit plan - gratuity
- (b) defined contribution plan - provident fund

Defined benefit plan - Gratuity obligation

Post-employment benefits (benefits which are payable on completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of actuarial valuation annually.

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Defined contribution plan

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective fund are due. There are no other obligations other than the contribution payable to the respective fund.

(M) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Panama's operations taking into account the location of the underlying asset and the

availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts. Refer note no 11.1

(a) Group is the lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(b) Group is the lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

For leases classified as finance leases, the underlying asset is derecognised and a lease receivable is recognised at an amount equal to the net investment in the lease, which comprises:

- (a) The gross investment in the lease, being the aggregate of the lease payments receivable by the lessor under the lease and any unguaranteed residual value accruing to the lessor, discounted at the interest rate implicit in the lease, and
- (b) Any initial direct costs incurred by the lessor.

Subsequent to initial recognition, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The lease payments received are allocated between a reduction in the lease receivable and the finance income. The net investment in finance leases is presented as a financial asset.

(N) Taxation

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year.

- (a) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the respective jurisdiction.
- (b) Deferred Tax: Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are off set if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

(O) Segment Reporting

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of geography and the nature of product/services.

The board of directors of the Group has appointed the Managing Director as the chief operating decision maker (CODM) who is assessing the financial performance and position of the Group, and makes strategic decisions.

(P) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, if any, such as bonus issue, bonus elements in a rights issue to existing shareholders, shares split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(Q) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the case of:

- a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

- b) a present obligation arising from the past events, when no reliable estimate is possible;
- c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(R) Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

I. Financial Assets

A. Initial recognition and measurement :

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of the financial asset [other than financial assets at fair value through profit or loss (FVTPL)] are added to the fair value of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset. Transaction costs of financial assets carried at FVTPL are expensed in the Statement of Profit and Loss.

B. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in the following categories:

- (i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) Debt instruments included within the Fair Value Through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

(iii) Equity instruments: All equity instruments within the scope of Ind-AS 109 are measured at fair value excluding Investment in Unquoted equity shares held for membership purpose. Equity instruments which are classified as held for trading are measured at FVTPL. For all other equity instruments, the Company decides to measure the same either at Fair Value Through Other Comprehensive Income (FVTOCI) or FVTPL. The Company makes such selection on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments measured at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such instruments.

iv) Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

C. De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Group's balance sheet) when:

- the rights to receive cash flows from the asset have expired, or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without

material delay to a third party under a 'pass-through' arrangement, and either:

- (i) the Group has transferred substantially all the risks and rewards of the asset, or
- (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

D. Impairment of financial assets:

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances. The Group follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. Financial Liabilities

A. Initial recognition and measurement:

Financial liabilities are classified at initial recognition as :

- (i) financial liabilities at fair value through profit or loss,
- (ii) loans and borrowings, payables, net of directly attributable transaction costs or
- (iii) derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

B. Subsequent measurement :

The measurement of financial liabilities depends on their classification, as described below:

- (i) **Borrowings:** Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognized in the Statement of Profit and Loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(ii) **Trade and other payables:** These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within twelve months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(iii) **Derivative financial instruments:** The Group uses derivative financial instruments, such as foreign exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date

on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedge accounting :

The Group designates certain hedging instruments which include derivatives, embedded derivatives and non derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. At the inception of the hedge relationship, the Group documents the relationship between the hedging instruments and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

C. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender, on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

D. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(S) Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

- (a) Operating lease commitments – Group as lessor;
- (b) Assessment of functional currency;
- (c) Evaluation of recoverability of deferred tax assets

Estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year :

- a) Useful lives of property, plant and equipment, investment property and intangible assets;
- b) Fair value measurements of financial instruments ;
- c) Impairment of non-financial assets;
- d) Taxes;
- e) Defined benefit plans (gratuity benefits);
- f) Provisions;

g) Valuation of inventories;

h) Contingencies

(T) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has evaluated the applicability of the OECD Pillar Two Model Rules (global minimum tax). Based on the assessment, the provisions are not applicable to the Company/group as it does not meet the prescribed revenue threshold. Accordingly, there is no impact on the financial statements.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

03. Property, plant and equipment

Particulars	Freehold land	Factory Building	Non Factory Building	Plant & Equipment	Office Equipment	Computers	Furniture and fixtures	Vehicles	Total Property, plant and equipment	Right-of-use assets		Total Right-of use assets
										Leasehold land	Leased properties	
Cost or valuation												
At 1 April 2024	31.32	37.37	108.47	102.10	3.12	0.85	15.40	9.85	308.48	28.84	0.69	29.53
Additions	-	-	0.47	2.79	0.27	0.08	2.27	1.26	7.14	30.17	-	30.17
Other adjustments	-	-	[0.01]	[0.04]	[0.10]	-	-	-	[0.15]	-	-	-
Deletion	-	-	-	-	-	-	-	[0.43]	[0.43]	-	-	-
Assets reclassified to Investment Property	-	-	[6.28]	-	-	-	-	-	[6.28]	-	-	-
At 31 March 2025	31.32	37.37	102.65	104.85	3.29	0.93	17.67	10.68	308.76	59.01	0.69	59.70
Additions	-	-	-	18.65	0.65	0.20	2.83	0.53	22.86	0.01	-	0.01
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	-	[0.26]	[0.26]	-	[0.02]	[0.02]
Assets reclassified to Investment Property	-	-	[9.40]	-	-	-	-	-	[9.40]	-	-	-
At 31 March 2026	31.32	37.37	93.25	123.50	3.94	1.13	20.50	10.95	321.96	59.02	0.67	59.69
Depreciation												
At 1 April 2024	-	13.14	6.88	32.99	2.02	0.72	4.65	6.25	66.66	6.19	0.22	6.41
Charge for the year	-	1.37	1.70	4.51	0.32	0.07	1.33	0.91	10.21	1.56	0.15	1.71
Other adjustments	-	0.01	-	[0.05]	[0.10]	-	-	0.01	[0.13]	[0.01]	[0.01]	[0.02]
Deletion	-	-	-	-	-	-	-	[0.40]	[0.40]	-	-	-
Assets reclassified to Investment Property	-	-	[0.24]	-	-	-	-	-	[0.24]	-	-	-
At 31 March 2025	-	14.52	8.34	37.45	2.24	0.79	5.98	6.77	76.10	7.74	0.36	8.10
Charge for the year	-	1.44	1.51	4.89	0.39	0.11	1.70	0.86	10.90	2.12	0.14	2.26
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	-	[0.20]	[0.20]	-	-	-
Assets reclassified to Investment Property	-	-	[0.59]	-	-	-	-	-	[0.59]	-	-	-
At 31 March 2026	-	15.96	9.26	42.34	2.63	0.90	7.68	7.43	86.21	9.86	0.50	10.36
Net Block												
At 31 March 2025	31.32	22.85	94.31	67.40	1.05	0.14	11.69	3.91	232.66	51.27	0.33	51.60
At 31 March 2026	31.32	21.41	83.99	81.16	1.31	0.23	12.82	3.52	235.75	49.16	0.17	49.33
Capital work-in-progress												
At 31 March 2025	-	2.24	0.21	16.72	-	-	-	-	19.17	-	-	-
At 31 March 2026	-	9.96	2.49	34.31	0.24	-	0.81	-	47.81	-	-	-

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

03. Property, plant and equipment (Contd..)

Notes:-

3.1 Capital Work in Progress

₹ in Crore

CWIP	2025-2026					2024-2025				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	40.07	7.74	-	-	47.81	12.48	1.19	-	-	13.67
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

3.2 The Board currently estimates that there are no components which have significantly different lives from the underlying primary assets

4. Investment Property

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
I. Gross Carrying Amount		
Balance at the beginning of the year	30.44	24.16
Additions / reclassification	9.40	6.28
Deletions / reclassification	-	-
Balance at the end of the year	39.84	30.44
II. Accumulated Depreciation and Impairment		
Balance at the beginning of the year	3.16	2.48
Depreciation for the year	0.63	0.44
Accumulated depreciation on Addition/deletions	0.59	0.24
Balance at the end of the year	4.38	3.16
III. Net Carrying Amount at end of the year	35.46	27.28
IV. Fair value of investment property at the end of the year	56.84	42.12

4.1 Information regarding income and expenditure of Investment Property

₹ in Crore

Particulars	31.03.2026	31.03.2025
Rental income derived from investment properties	7.08	5.84
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0.90	1.04
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	6.18	4.80
Less: Depreciation	0.63	0.44
Profit arising from investment properties before indirect expenses	5.55	4.36

4.2 Fair value of the Group's investment properties

The fair value of the Group's investment properties as at 31 March 2026 was arrived at on the basis of a valuation carried out by independent registered valuers not related to the Company. The Company has adopted policy of revaluing investment property generally every three years. (Level 3)

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

4.3 a) Details of the Group's Investment properties and information about their Fair value hierarchy

₹ in Crore

	Fair value measurement	
	31.03.2026	31.03.2025
Valuation at the end of the year	56.84	42.12

b) Reconciliation of fair value

₹ in Crore

	2025-2026	2024-2025
Opening balance	42.12	35.73
Fair value difference	5.32	0.11
Reclassification	9.40	6.28
Closing balance	56.84	42.12

c) Description of valuation techniques used and key inputs to valuation on investment properties

The investment properties have been valued at Fair Market Value. It is the value of the property at which it can be sold in open market at a particular time free from forced value or sentimental value. Prevailing market value is a result of demand/ supply / merits /demerits of properties and various locational, social, economical, political factors and circumstances. Prevailing market value can be estimated through market survey, through dependable data/ sale instances, local estate developers/ brokers, real estate portal enquiries and verbal enquiries in neighbourhood area.

5.1 Leases:

A) Lease commitment as Lessee

The Group has entered into agreements for taking lease certain offices and warehouses on lease and licence basis. The lease term is a period ranging from 12 to 45 months. The Group has contracts which have fixed rentals. The Group has also taken leasehold factory lands on one time payment and other land on yearly fixed payment. The lease term is a period ranging from 25 years to 99 years.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

Disclosure as per the requirement of Ind AS 116

(i) Amounts recognized in balance sheet

The balance sheet shows the following amounts relating to leases

Following are the changes in the carrying value of right of use assets :

₹ in Crore

	As at 31.03.2026	As at 31.03.2025
Balance as at beginning of the year	51.60	23.12
Additions	0.01	30.17
Derecognition/Modification	(0.02)	-
Amortisation	(2.26)	(1.71)
Other adjustment	-	0.02
Balance as at the end of the year	49.33	51.60

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

5.1 Leases: (Contd..)

Following are the changes in the carrying value of lease liabilities:

	As at 31.03.2026	As at 31.03.2025
Balance as at beginning of the year	30.11	0.52
Additions	-	30.17
Finance cost accrued during the period	2.38	1.52
Deletions/Modification	(0.03)	-
Translation exchange difference	3.05	-
Payment of lease liabilities	(2.55)	(2.10)
Balance at the end	32.96	30.11
Lease liabilities		
Current	0.47	0.44
Non-current	32.49	29.67

₹ in Crore

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 on an undiscounted basis:

Particulars	As at 31.03.2026	As at 31.03.2025
Less than one year	2.72	2.47
One to five years	11.81	13.22
More than five years	55.61	50.43
Total	70.14	66.12

₹ in Crore

The cash outflow of lease payments with respect to the above lease recognized in the statement of profit and loss for the financial year 2025-2026 is ₹2.55 Crore (Previous Year ₹2.10 Crore).

B) Where the Group is lessor

The future minimum lease payments receivable as per the lease agreements on undiscounted basis are as follows:

Particulars	As at 31.03.2026	As at 31.03.2025
Less than one year	5.61	5.82
One to five years	20.50	15.37
More than five years	-	-

₹ in Crore

The amount of lease rental income with respect to operating lease recognized in the statement of profit and loss for the year is ₹7.08 Crore (previous year ₹5.84 Crore).

(ii) Amounts recognised in statement of profit and loss

The statement of profit and loss shows following amounts relating to leases:

Particulars	As at March 31, 2026	As at March 31, 2025
Amortisation of right of use assets		
Land	2.12	1.56
Building	0.14	0.15
Total	2.26	1.71
Interest expense (included in Finance costs)	2.38	1.52
Expense relating to short-term leases (included in other expenses)	0.91	1.00
Gain on termination of lease contract	-	-
Total	3.29	2.52

₹ in Crore

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

5.2 Other Intangible Assets

Computer Software

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
I. Gross Carrying Amount		
Balance at the beginning of the year	0.08	0.08
Additions	-	-
Deletions	-	-
Balance at the end of the year	0.08	0.08
II. Accumulated Amortisation and Impairment		
Balance at the beginning of the year	0.08	0.08
Amortisation for the year	-	-
Accumulated amortisation on deletions	-	-
Balance at the end of the year	0.08	0.08
III. Net Carrying Amount at end of the year	-	-

The Company does not have any intangible assets under development.

6 Financial Assets

6.1 Non-current Investments (fully paid up)

₹ in Crore

Investments in equity instruments	As at 31.03.2026	As at 31.03.2025
Unquoted		
1,795 (31 March 2025 : 1,795) fully paid equity shares of ₹10 each of Bharuch Enviro Infrastructure Limited **	-	-
975 (31 March 2025 : 975) Fully paid equity shares of ₹100 each of The Marol Co operative Industrial Estate Limited #	0.01	0.01
80,000 (31 March 2025 : Nil) Fully paid equity shares of ₹1 each of National Stock Exchange Limited	14.32	-
	14.33	0.01
Aggregate amount of Unquoted Investments - gross	14.33	0.01
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of Unquoted Investments - net	14.33	0.01

*It is carried at cost.

*Amount appears as NIL as financials statement reported in ₹Crore, rounded up to two decimals.

₹ in Crore

Investments in equity instruments	As at 31.03.2026	As at 31.03.2025
Quoted		
Designated at Fair value through Other Comprehensive Income		
2,691 (31 March 2025 : 8,127) (FV : ₹10) Fully paid equity share of Apar Industries Limited	2.66	4.50
6,200 (31 March 2025 : 6,200) (FV : ₹10) fully paid equity shares of DCB Bank Limited	0.10	0.07
41,311 (31 March 2025 : 41,311) (FV : ₹5) Fully paid equity shares of Godrej Properties Limited	7.65	8.79
7,000 (31 March 2025 : Nil) (FV : ₹10) Fully paid equity shares of Kalpataru Limited	0.18	-
Nil (31 March 2025 :15,000) (FV : ₹10) Fully paid equity share of Indusind Bank Limited	-	0.97
Nil (31 March 2025 : 15,000) (FV : ₹10) Fully paid equity share of JIO Financials Limited	-	0.34
79,220 (31 March 2025 : Nil) (FV : ₹10) Fully paid equity shares of Lodha Developers Limited	5.36	-
1,34,471 (31 March 2025: 1,34,471) (FV : ₹10) Fully paid equity share of Mafatlal Industries Limited	1.45	1.63
15,500 (31 March 2025 : 15,500) (FV : ₹10) Fully paid equity share of Oberoi Realty Limited	2.20	2.54

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

₹ in Crore

Investments in equity instruments	As at 31.03.2026	As at 31.03.2025
1612 Units (31 March 2025 : NIL) Gold ETF	6.51	-
13200 Units (31 March 2025 : NIL) Silver ETF	8.74	-
	34.85	18.84
Aggregate amount of Quoted Investments - gross (at market value)	34.85	18.84
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of Quoted Investments - net	34.85	18.84
Total	49.18	18.85

6.2 Trade Receivables

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current		
Unsecured, Considered good	573.85	503.48
Unsecured, Considered doubtful	0.40	0.85
Unsecured, credit impaired	0.46	0.14
	574.71	504.47
Less: Impairment under expected credit loss	0.86	0.99
	573.85	503.48
Further classified as:		
Related Parties	-	-
Others	573.85	503.48

Note:- Impairment under expected credit loss includes ₹0.46 Crore P.Y. (₹0.14 Crore) for doubtful debts .

The holding Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows

₹ in Crore

Age of receivables	As at 31.3.2026			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
	₹ in Crore	%	₹ in Crore	₹ in Crore
0-180 days past due	1.69	6.46%	0.11	1.58
180-365 days past due	0.74	13.09%	0.10	0.64
More than 365 days past due	1.05	18.20%	0.19	0.86
Credit impaired	0.46	100.00%	0.46	-
Total	3.94	21.83%	0.86	3.08

₹ in Crore

Age of receivables	As at 31.3.2025			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
	₹ in Crore	%	₹ in Crore	₹ in Crore
0-180 days past due	2.96	6.30%	0.19	2.77
180-365 days past due	0.29	12.78%	0.03	0.26
More than 365 days past due	3.53	17.76%	0.63	2.90
Credit impaired	0.14	100.00%	0.14	-
Total	6.92	14.31%	0.99	5.93

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

Movement in the expected credit loss allowance

₹ in Crore

Particulars	Year ended 31.3.2026	Year ended 31.3.2025
Balance at the beginning of the year	0.99	0.90
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(0.13)	0.09
Balance at the end of the year	0.86	0.99

The bifurcation of Trade Receivable are as under:-

Year ended 31.3.2026

₹ in Crore

Particulars	Outstanding for following periods from bill date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables-considerd good	563.73	5.86	0.65	0.21	0.33	570.78
ii) Undisputed Trade Receivables – which have significant increase in credit risk	1.69	0.74	-	-	0.52	2.95
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.25	0.21	0.46
iv) Disputed trade receivables-considerd good	-	-	-	-	0.52	0.52
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Trade Receivables	-	-	-	-	-	574.71
Less:- Allowance for Expected Credit Loss	-	-	-	-	-	(0.86)
Total	-	-	-	-	-	573.85

The bifurcation of Trade Receivable are as under:-

Year ended 31.3.2025

₹ in Crore

Particulars	Outstanding for following periods from bill date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables-considerd good	485.46	11.50	0.59	-	-	497.55
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	2.96	0.29	-	2.34	5.59
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	0.14	0.14
iv) Disputed trade receivables-considerd good	-	-	-	-	1.19	1.19
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Trade Receivables	-	-	-	-	-	504.47
Less:- Allowance for Expected Credit Loss	-	-	-	-	-	(0.99)
Total	-	-	-	-	-	503.48

Unbilled Revenue

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
Disputed Trade Receivables	-	-
Undisputed Trade Receivables	-	-

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

6 Financial Assets (Contd..)

6.3 Loans and advances

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
Current		
Other Loans		
Unsecured, considered good	16.02	11.09
	16.02	11.09

6.4 Cash and Cash Equivalents

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
Balances with banks		
On current accounts	70.78	166.64
Cash Balances		
Cash on hand	0.58	0.41
	71.36	167.05

6.5 Other bank balances

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
Deposit accounts with more than 3 months but less than 12 months maturity	10.09	13.62
Unpaid dividend accounts	0.93	1.00
	11.02	14.62

6.6 Other Financial Assets

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
Non-current		
Bank deposits with more than 12 months maturity	-	-
Security deposits	0.70	0.69
	0.70	0.69
Current		
Security deposits	20.97	14.40
Derivative asset	0.43	-
Other financial assets	1.20	0.41
	22.60	14.81
	23.30	15.50

7 Inventories

₹ in Crore

Particulars	As at March 31,2026	As at March 31,2025
(Valued at lower of cost and net realisable value)		
Raw material (Includes goods in transit ₹12.06 Crore previous year ₹15.02 Crore)	622.47	375.47
Finished goods	35.62	18.93
Traded goods	8.91	14.06
Packing material (Includes goods in transit ₹0.00 Crore previous year ₹0.02 Crore)	1.64	0.77
	668.64	409.23

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

8 Other Assets

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	7.87	4.64
	7.87	4.64
Current		
Custom/GST balances	34.37	18.03
Advances to vendors	89.36	21.66
Others including duties and taxes receivable (other than Custom/GST balances)	5.41	6.10
	129.14	45.79

9 Equity Share Capital

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised shares		
12,77,50,000 (31 March 2025 : 12,77,50,000 equity shares of ₹2 each)	25.55	25.55
Issued shares		
6,04,93,598 (31 March 2025 : 6,04,93,598 equity shares of ₹2 each)	12.10	12.10
Subscribed and fully paid-up shares		
6,04,93,598 (31 March 2025 : 6,04,93,598 equity shares of ₹2 each)	12.10	12.10

a) Reconciliation of shares

	As at 31.03.2026		As at 31.03.2025	
	Nos.	₹ in Crore	Nos.	₹ in Crore
At the beginning of the year	60,493,598	12.10	60,493,598	12.10
Issued/Buyback during the year	-	-	-	-
At the end of the year	60,493,598	12.10	60,493,598	12.10

b) Rights, preferences and restrictions attached to equity shares

The Group has only one class of equity shares having a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share, however the holders of global depository receipts (GDR's) do not have any voting rights in respect of shares represented by the GDR's till the shares are held by the custodian bank.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive assets (after repayment of liability) in proportion to the number of equity shares held by the shareholders.

c) Shares held by promoters as at 31 March 2026

Promoter name	No. of Shares	% of total shares	% Change during the year
Amirali Essabhai Rayani	-	0.00%	-2.54%
Akbarali Essabhai Rayani	1,595,346	2.64%	0.00%
Salimali Essabhai Rayani	1,521,587	2.52%	0.00%
Vazirali Essabhai Rayani	1,246,965	2.06%	0.00%
Promoter Group			
Ittefaq Ice And Cold Storage Pvt Limited	4,596,293	7.60%	0.19%
Panama Builders Developers Pvt Limited	2,819,865	4.66%	0.69%
Arif Amirali Rayani	3,670,567	6.07%	0.00%
Sapna Samir Rayani	1,522,207	2.52%	0.00%
Serena Iqbal Rayani	720,000	1.19%	0.00%

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

9 Equity Share Capital (Contd..)

Promoter name	No. of Shares	% of total shares	% Change during the year
Nilima Shah Nawaz Kheraj	3,000	0.00%	0.00%
Gulshan Salimali Rayani	144,355	0.24%	0.00%
Malika Vazirali Rayani	1,011,342	1.67%	0.00%
Shelina Arifali Rayani	3,190,462	5.27%	0.00%
Samir Akbarali Rayani	2,008,703	3.32%	0.00%
Hussein Vazirali Rayani	1,196,159	1.98%	0.00%
Chemine Amin Rayani	1,859,449	3.07%	0.00%
Iqbal Vazirali Rayani	1,832,977	3.03%	0.00%
Amin Amirali Rayani	4,863,401	8.04%	2.88%
Begumbanu Akberali Rayani	2,504,160	4.14%	0.00%
Munira Hussein Rayani	888,750	1.47%	0.00%
Ahyman Arif Rayani	1,012,508	1.67%	0.00%

d) Details of shareholders holding more than 5% of equity shares

	As at 31.03.2026		As at 31.03.2025	
	No of Shares	% holding in the class	No of Shares	% holding in the class
Equity Shares of ₹ 2 each fully paid up				
Amin Amirali Rayani	4,863,401	8.04%	3,123,056	5.16%
Ittefaq Ice and Cold Storage Private Limited	4,596,293	7.60%	4,479,615	7.41%
Arif Amirali Rayani	3,670,567	6.07%	3,670,567	6.07%
Ms. Shelina Arif Rayani	3,190,462	5.27%	3,190,462	5.27%

- e) The Company has not allotted any equity shares for consideration other than cash, issued any fully paid-up bonus shares, or bought back any shares during the five years immediately preceding March 31, 2026.

f) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:-

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interim Dividend for fiscal 2025	-	2.00
Final Dividend for fiscal 2024	-	4.00
Final Dividend for fiscal 2025	3.00	-

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

9 Equity Share Capital (Contd..)

During the year ended 31 March 2026, on account of the final dividend for fiscal 2025, the Company has incurred a net cash outflow of ₹18.15 Crore

The Board of Directors in their meeting on 29 May 2026 recommended a final dividend of ₹3/- (P.Y. ₹3/-) per equity share for the financial year ended 31 March 2026.

This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company, and if approved would results in a net cash outflow of approximately ₹18.15 Crore.

10. Other Equity

₹ in Crore

	As at 31.03.2026	As at 31.03.2025
Securities Premium Account		
Balance at the beginning of the year	90.18	90.18
Less:- Utilized for during the year	-	-
Balance at the end of the year	90.18	90.18
General reserve		
Balance at the beginning of the year	29.88	22.91
Add: Transfer from Other Comprehensive Income	1.69	0.13
Add: Transfer from Profit and Loss	2.89	6.84
Balance at the end of the year	34.46	29.88
Statement of Profit & Loss		
Balance at the beginning of the year	1,106.55	962.66
Add: Profit / (loss) for the year	212.50	187.03
Add: Remesurement of Fair Value of Financial Instruments	-	-
Less: Appropriations (Dividend Paid)	18.15	36.30
Less: Transfer to General reserve	2.89	6.84
Balance at the end of the year	1,298.01	1,106.55
Other Comprehensive Income		
Balance at the beginning of the year	16.30	14.86
Other comprehensive Income during the year	19.32	1.57
Transfer to General Reserve	(1.69)	(0.13)
Balance at the end of the year	33.93	16.30
Total other equity	1,456.58	1,242.91

Notes:

- Securities Premium : Premium collected on issue of securities are accumulated as part of securities premium. Utilization of such reserve is restricted by The Companies Act, 2013.
- General Reserve : General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.
- Retained Earning : This represents profits remaining after all appropriations. This is free reserve and can be used for distribution of profits.

11 Financial Liabilities

11.1 Lease Liability

₹ in Crore

	As at 31.03.2026	As at 31.03.2025
Non Current		
Non Current lease liability	32.49	29.67
	32.49	29.67
Current		
Current lease liability	0.47	0.44
	0.47	0.44

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

11 Financial Liabilities (Contd..)

The following is the movement in lease liabilities during the year ended March 31, 2026 :

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Balance at the beginning	30.11	0.52
Additions	-	30.17
Finance cost accrued during the period	2.38	1.52
Derecognition	(0.03)	-
Translation exchange difference	3.05	-
Payment of lease liabilities	(2.55)	(2.10)
Balance at the end	32.96	30.11

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

11.2 Short-term Borrowings (Secured)

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Cash Credits from banks	57.90	2.49
Working Capital Loan	20.00	-
Secured by ;		
hypothecation of inventories, receivables and other current assets		
The cash credit is repayable on demand and carried an interest rate of		
Current Year 7.25% to 11.35% p.a. (Previous Year 8.70% to 11.75% p.a.)		
	77.90	2.49

- The Group has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.
- The quarterly results or statements of current assets filed by the Group with banks are in agreement with books of accounts and there is no discrepancies in the same.
- The Group is not declared a willful defaulter by any bank or financial institution or other lender.
- The Group has registered all the charges towards secured borrowings outstanding as on 31 March 2026 and 31 March 2025. There is no satisfaction of charge pending on secured borrowings which are repaid during the financial year ended 31 March 2026 and 31 March 2025.
- Refer note no 43

11.3 Trade payables

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current		
Trade payables:		
Micro and small Enterprises	5.23	7.77
Other than micro and small enterprises	289.06	202.76
(Refer Note 29 for details of dues to micro and small enterprises)		
	294.29	210.53

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

11 Financial Liabilities (Contd..)

Bifurcation of Trade payables:-

As at 31.03.2026

₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Not Billed	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	5.23	-	-	-	5.23
(ii) Others	0.76	288.30	-	-	-	289.06
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	0.76	293.53	-	-	-	294.29

Bifurcation of Trade payables:-

As at 31.03.2025

₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Not Billed	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	7.77	-	-	-	7.77
(ii) Others	2.12	200.64	-	-	-	202.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2.12	208.41	-	-	-	210.53

11.4 Other Financial Liabilities

Current

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Financial liabilities at fair value through profit or loss (FVTPL)		
Derivatives liabilities carried at fair value	-	1.01
Other Financial liabilities at amortized cost		
Unpaid dividends	0.93	1.00
Security deposit	3.05	2.88
Creditors for capital goods	0.69	0.28
	4.67	5.17

12. Provisions

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Non Current		
Provision for gratuity (Refer Note 30)	3.14	2.42
	3.14	2.42
Current		
Provision for gratuity (Refer Note 30)	0.26	0.26
	0.26	0.26
	3.40	2.68

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

13 Deferred Tax Liability (Net)

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Deferred Tax Liability	13.28	12.77
Deferred Tax Assets	2.87	1.65
Net Deferred Tax Liability	10.41	11.12
Deferred Tax Assets		
Deductible temporary differences:-		
Provision for doubtful debts and advances	-	0.03
Provision for ECL	0.20	0.21
Finance Lease	0.05	0.10
Defined benefit obligation	0.58	0.47
Others	2.04	0.84
	2.87	1.65
Deferred Tax Liability		
Taxable temporary differences:-		
Property, plant and equipment and investment property	13.23	12.68
Right of Use	0.04	0.08
Other financial liabilities	0.01	0.01
	13.28	12.77

14 Other Liabilities

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current		
Advances from customers	19.15	0.91
Income tax deducted at source	2.24	3.83
Duties and taxes	2.06	1.23
Other liabilities	0.64	0.87
	24.09	6.84

15 Current tax assets and liabilities

₹ in Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Current tax assets		
Advance Tax (Gross)	114.99	70.81
	114.99	70.81
Current tax liabilities		
Income tax payable (Gross)	117.32	67.82
Current tax assets/(liabilities)	[2.33]	2.99

16 Revenue from Operations

₹ in Crore

Particulars	2025-2026	2024-2025
Sale of products		
Finished products	2,816.25	2,619.75
Traded products	248.01	173.14
	3,064.26	2,792.89

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

17 Other Income

₹ in Crore

Particulars	2025-2026	2024-2025
Interest income	4.52	5.73
Interest income on security deposit given	-	0.01
Dividend income from Long-term investments	0.39	0.01
Profit on sale of property, plant and equipment's (net)	0.02	0.01
Exchange gain (net)	-	-
Rent received	7.30	6.33
Miscellaneous income	0.51	0.19
	12.74	12.28

18 Cost of Materials Consumed

₹ in Crore

Particulars	2025-2026	2024-2025
Raw material consumed		
Inventory at the beginning of the year	375.47	464.76
Add : Purchases	2,574.75	2,088.17
	2,950.22	2,552.93
Less : Inventory at the end of the year	622.47	375.47
Cost of raw material consumed	2,327.75	2,177.46
Packing material consumed		
Inventory at the beginning of the year	0.77	0.63
Add : Purchases	31.67	29.41
	32.44	30.04
Less : Inventory at the end of the year	1.64	0.77
Cost of packing material consumed	30.80	29.27
Total material consumed	2,358.55	2,206.73

19 Purchase of Traded Goods

₹ in Crore

Particulars	2025-2026	2024-2025
Traded goods	188.07	136.57
	188.07	136.57

20 (Increase) / Decrease in Inventories

₹ in Crore

Particulars	2025-2026	2024-2025
Inventories at the end of the year		
Finished Goods	35.62	18.93
Traded Goods	8.91	14.06
	44.53	32.99
Inventories at the beginning of the year		
Finished Goods	18.93	14.08
Traded Goods	14.06	12.04
	32.99	26.12
	(11.54)	(6.87)

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

21 Employee Benefits Expense

Particulars	₹ in Crore	
	2025-2026	2024-2025
Salaries, wages and bonus	37.25	26.76
Contribution to employees' provident and other funds	0.49	0.44
Gratuity expense	0.67	0.50
Staff welfare expenses	0.53	0.41
	38.94	28.11

22 Finance costs

Particulars	₹ in Crore	
	2025-2026	2024-2025
Interest on borrowings	6.45	12.35
Interest expense on lease liabilities	2.58	1.70
Bank charges	2.93	4.11
	11.96	18.16

23 Depreciation / Amortization (Refer Note 3, 4 and 5)

Particulars	₹ in Crore	
	2025-2026	2024-2025
Depreciation on property, plant and equipment	10.90	10.22
Depreciation on investment property	0.63	0.44
Amortisation on intangible assets	-	-
Amortisation of right-of-use assets	2.26	1.71
	13.79	12.37

24 Other Expenses

Particulars	₹ in Crore	
	2025-2026	2024-2025
Power and fuel	4.53	3.49
Water charges	1.59	0.23
Repairs and maintenance :		
Buildings	0.44	0.72
Machinery	2.44	2.11
Others	1.41	1.57
Insurance	3.98	3.27
Rent	0.91	1.00
Rates and taxes	1.02	1.39
Communication costs	0.44	0.38
Legal and professional fees	3.82	3.64
Payment to auditor (Refer details below)	0.31	0.32
Director sitting fees	0.10	0.11
Clearing and forwarding expenses	126.49	107.43
Freight outwards	33.19	31.91
Travelling and conveyance	6.31	5.85
Advertising and sales promotion	0.58	0.35
Brokerage and commission	14.56	3.74
Security charges	1.04	0.84
Bad debts and sundry balances written off	2.34	0.50
CSR expense and donation (Refer note 25)	3.88	4.34
Premium on forward exchange contract amortized	0.35	0.31
Exchange loss (net)	1.05	5.22
Miscellaneous expenses	3.91	3.00
	214.69	181.72

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

24 Other Expenses (Contd..)

Payment to auditor (excluding GST)

₹ in Crore

Particulars	2025-2026	2024-2025
As auditor:		
Statutory audit and limited review fees	0.27	0.28
Tax audit fees	0.03	0.03
Certification charges	0.01	0.01
Taxation matters	-	-
	0.31	0.32

25. During the year under review, the Company was required to spend an amount of ₹3.79 crores (after excluding the excess amount of ₹0.06 crores carried forward from the previous year) towards CSR activities as stipulated under Schedule VII of the Act. The Company has spent an amount of ₹3.79 crores towards our CSR initiatives. The details are as under:-

₹ in Crore

Particulars	31 March 2026	31 March 2025
(i) Amount required to be spent by the company during the year*	3.79	4.26
(ii) Amount of expenditure incurred,	3.79	4.32
(iii) Shortfall/(excess) at the end of the year,	-	(0.06)
(iv) Excess amount carry forward from previous year	0.06	0.05
(iv) Total of previous years shortfall,	Nil	Nil
(v) Reason for shortfall,	NA	NA
(vi) Nature of CSR activities,	Promoting Education and Healthcare	
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

*After set-off of excess ₹0.06 crores carried forward from the previous year 2024-25 (₹3.85 crores - ₹0.06 crores)

26. Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Refer Note
Current Ratio	Current Assets	Current Liabilities	3.69	5.18	(28.66)%	(i)
Debt-Equity Ratio	Total Debt	Total Equity	0.05	0.00	100.00%	(ii)
Debt Service Coverage Ratio*	Earnings available for debt service	Debt Service	24.10	14.26	69.07%	(iii)
Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	15.60%	15.87%	(1.65)%	
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	5.69	6.20	(8.31)%	
Trade Receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	5.69	6.14	(7.40)%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	11.07	9.90	11.79%	
Net capital turnover ratio	Net Sales	Working Capital	2.81	2.96	(4.93)%	
Net Profit Ratio	Net Profit	Net Sales	6.93%	6.70%	3.56%	
Return on Capital employed	Earnings before interest and taxes	Capital Employed	18.69%	19.64%	(4.86)%	
Return on Investment						
Quoted	Income generated from investments	Time weighted average investments	10.82%	1.35%	698.33%	(iv)
Unquoted	Income generated from investments	Time weighted average investments	-	-	-	

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

26. Ratio Analysis (Contd..)

- (i) The increase in accounts payable and short term borrowings contributed to the decrease in the current ratio.
- (ii) Short term borrowings taken during the year , result in increase in Debt-Equity ratio
- (iii) Increase in EBITA and decrease in finance cost , result in increase in Debt Service Coverage ratio
- (iv) The return on investment increased compared to an increase in the average quoted value of investments result in increase in return on Investment

27. Disaggregated Revenue Information

The table below represents disaggregation of Group's revenue from contracts with the customers. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

		₹ in Crore	
Particulars	2025-2026	2024-2025	
Type of goods			
Finished products	2,816.25	2,619.75	
Traded products	248.01	173.14	
Total revenue from contracts with the customers	3,064.26	2,792.89	
Geographical markets			
- India	1,343.12	1,239.46	
- Outside India	1,721.14	1,553.43	
Total revenue from contracts with the customers	3,064.26	2,792.89	
Relation with customer			
- Non related party	3,064.26	2,792.89	
- Related Party	-	-	
Total revenue from contracts with the customers	3,064.26	2,792.89	
Timing of revenue recognition			
- Goods transferred over a period of time	-	-	
- Goods transferred over a point of time	3,064.26	2,792.89	
Total revenue from contracts with the customers	3,064.26	2,792.89	

28. Commitments and Contingencies

i. Contingent Liabilities

Claims against the Group not acknowledged as debts #:

		₹ in Crore	
Particulars	2025-2026	2024-2025	
i. Demand/ Show cause-cum-demand notices received and contested by the Company with the relevant appellate authorities			
a) Income tax disputed Income Tax Appellate Tribunal (ITAT)*	13.33	13.33	
b) Income tax disputed Commissioner Appeal	0.16	-	
c) Customs Matter disputed Custom, Excise and Service Tax Appellate Tribunal (CESTAT) , Mumbai	15.84	15.84	
ii. Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4.62	6.95	
iii. Others			
a) Bank Guarantees	8.54	3.51	
b) Corporate Guarantees	159.97	144.63	

*The Company has received an order from the Commissioner of Income Tax (Appeals) [CIT(A)] for the relevant assessment year(s), wherein partial relief has been granted. The Income Tax Department has filed an appeal before the Income Tax Appellate Tribunal (ITAT) against the relief allowed by the CIT(A). The matter is currently pending adjudication.

#The management does not expect these claims to succeed. Accordingly no provision for contingent liability has been recognized in the financial statements.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

29. Details of dues to micro and small enterprises as defined under the MSMED Act 2006*

₹ in Crore

Particulars	31 March 2026	31 March 2025
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	5.23	7.77
- Interest due on above	-	-
b. The amount of interest paid by the buyer in terms of section 16 of the Micro and Small Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro and Small Enterprises Development Act, 2006.	-	-

*The Group has initiated the process of identification of suppliers registered under Micro and Small Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received as at the balance sheet date.

30. Employee Benefits:

i) Defined Contribution Plan:

group's contribution to Provident Fund ₹0.46 Crore (Previous year ₹0.41 Crore).

The group also contributes to the following:

- Employee State Insurance Contribution Fund : ₹0.03 Crore (Previous year ₹0.03 Crore)

ii) Defined Benefit Plan:

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the Group's financial statements:

₹ in Crore

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Change in the obligation benefits:		
Projected benefit obligation at the beginning of the year	3.40	2.92
Service Cost	0.26	0.24
Interest cost	0.19	0.17
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(0.11)	0.12
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains) / Losses on Obligations - Due to Experience	0.23	0.15
Past Service Cost	0.14	-
Benefits paid	(0.24)	(0.20)
Projected benefit obligation at the end of the year	3.87	3.40
(b) Change in the plan assets:		
Fair value of the plan assets at the beginning of the year	1.55	1.42
Expected return on plan assets*	-	0.13
Employer's contribution	-	-
Benefits paid	-	-
Return on plan assets, excluding interest income	-	-
Fair value of the plan assets at the end of the year	1.55	1.55

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

30. Employee Benefits: (Contd..)

₹ in Crore

Particulars	As at 31 March 2026	As at 31 March 2025
Funded status [Surplus / (Deficit)]	(2.32)	(1.85)
(c) Net Gratuity and other cost:		
Service cost	0.26	0.24
Past service cost and loss/(gain) on curtailments	0.14	-
Interest on defined benefit obligation	0.12	0.10
Interest income	-	-
Net gratuity cost	0.52	0.34
(d) Amounts recognized in the statement of other comprehensive income:		
Due to Change in financial assumptions	(0.11)	0.11
Due to change in demographic assumption	-	-
Due to experience adjustments	0.23	0.15
Return on plan assets, excluding interest income	0.07	(0.05)
Net income / (expense) for the period recognized in other comprehensive income	-	-
	0.19	0.21
(e) Category of Assets:		
Policy of Insurance	100%	100%
	100%	100%
(f) Assumptions used in accounting for the Gratuity Plan:		
	%	%
Discount rate	7.15%	6.65%
Expected rate of return on plan assets	7.15%	6.65%
Age of Retirement	60	60
Annual increase in salary cost	6.00%	6.00%
(g) Sensitivity Analysis :		
Discount rate Sensitivity		
Increase by 0.5%	3.76	3.30
% Change	(2.70)%	(2.91)%
Decrease by 0.5%	3.98	3.51
% Change	2.88%	3.12%
Salary growth rate Sensitivity		
Increase by 0.5%	3.93	3.47
% Change	1.74%	2.07%
Decrease by 0.5%	3.79	3.33
% Change	(1.83)%	(2.22)%
Withdrawal rate Sensitivity		
Withdrawal rate X 110%	3.88	3.41
% Change	0.30%	0.22%
Withdrawal rate X 90%	3.85	3.40
% Change	(0.32)%	(0.23)%

(h) Projected plan cash flow :

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date

₹ in Crore

Particulars	As at 31 March 2026	As at 31 March 2025
Maturity Profile		
Expected benefits for year 1 to 3	1.79	1.50
Expected benefits for year 4 to 5	0.76	0.40
Expected benefits for year 6 and above	1.28	1.32

*Amount appears as NIL as financials statement reported in ₹Crore, rounded up to two decimals.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

31. Segment Information

A. Factors used to identify the entity's reportable segments, including the basis of organization

For management purposes, as the Group is in the business of manufacturing and trading of specialty petroleum products, the Group has considered petroleum products as the only business segment for disclosure in this context of Indian Accounting Standard 108.

The Managing Director (MD) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segment. The MD reviews revenue and gross profit as the performance indicator for the operating segment. However, the Group's finance (including finance cost and finance income) and income taxes are managed on a group as a whole basis and are not allocated to any segment.

Geographical segment of the organization

For the purpose of geographical segment the sales are divided into two segments - Domestic and Overseas. The accounting policies of the segments are the same as those described in Note 2(O).

B. Information about reportable segment

The following table shows the distribution of the Group's reportable segment by geographical market, regardless of where the goods were produced:

₹ in Crore

Particulars	2025-2026			2024-2025		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue						
Sales to external customers	1,343.12	1,721.14	3,064.26	1,239.46	1,553.43	2,792.89
Other segment information						
Non-current Assets*	376.22	-	376.22	335.35	-	335.35

*Non-current assets excludes Other investments, Other financials assets, Income tax assets (Net) and Deferred tax assets (Net).

Significant Customer

No Customer individually accounted for more than 10% of the revenue in the year ended 31 March 2026 and 31 March 2025.

32. Details of related party transactions in accordance with Ind AS 24 'Related Party Disclosures'

(a) Names of related parties with whom transactions have taken place during the year

Key Management Personnel	Designation
Arif Rayani	Executive Chairman
Samir Rayani	Managing Director & CEO
Hussein Rayani	Joint Managing Director
Amirali E Rayani	Executive Whole-Time Director
Iqbal Rayani	Director of Subsidiary Company (w.e.f. 01-06-2025)
Ahyman Rayani	Director of Subsidiary Company (w.e.f. 01-12-2025)
Serena Rayani	Director of Subsidiary Company (w.e.f. 01-12-2025)
Pramod Maheshwari	Chief Financial Officer
Gayatri Sharma	Company Secretary & Compliance Officer
Independent Director	
Almas Nanda	Independent Director
Kumar Raju Nandimandalam	Independent Director
Ashok Mukhi	Independent Director
Arvind Shah	Independent Director
Relatives of key management personnel	Relation
Akbarali Rayani	Brother of Mr. Amirali E Rayani
Vazirali Rayani	Brother of Mr. Amirali E Rayani
Salimali Rayani	Brother of Mr. Amirali E Rayani
Amin A Rayani	Brother of Mr. Arif Rayani
Nilima Kheraj	Sister of Mr. Samir Rayani
Munira Rayani	Wife of Mr. Hussein Rayani
Serena Rayani	Brother's Wife of Hussein Rayani

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

32. Details of related party transactions in accordance with Ind AS 24 'Related Party Disclosures' (Contd..)

(b) Transactions with Related Parties

₹ in Crore

Transaction with Key Managerial Personnel and relatives of Key Managerial Personnel	2025-2026	2024-2025
Key Managerial remuneration*	22.67	14.45
Short term benefits	0.10	0.11
Director sitting fees		
Remuneration paid to Relative of Key Managerial Personnel		
Short term benefits		
Akbarali Rayani	0.05	0.05
Vazirali Rayani	0.05	0.05
Salimali Rayani	0.05	0.05
Nilima Kheraj	0.05	0.05
Munira Rayani	0.05	0.05
Amin A Rayani	0.26	0.12
Serena Rayani	-	0.12

*Key managerial remuneration related to retirement benefits (i.e. Gratuity) are recognized under Employee benefit expenses in Statement of Profit and Loss along with other employees gratuity costs of the Group based on the actuarial valuation carried out by the Independent Actuary.

33. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations :

₹ in Crore

Particulars	2025-2026	2024-2025
Profit after tax attributable to equity shareholders	212.50	187.03
Net profit for calculation of basic and diluted EPS	212.50	187.03

Particulars	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	60,493,598	60,493,598
Basic Earnings per share	35.13	30.92
Diluted Earnings per share	35.13	30.92

34. Tax expense

(a) Amounts recognized in the statement of profit and loss

₹ in Crore

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Current tax expense		
Current year	49.50	39.50
Changes in estimates relating to prior years	-	0.88
	49.50	40.38
Deferred tax expense		
Origination and reversal of temporary differences	0.54	0.97
Change in tax rate	-	-
	0.54	0.97
Tax expense recognized in the statement of profit and loss	50.04	41.35

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

34. Tax expense (Contd..)

(b) Amounts recognized in other comprehensive income

₹ in Crore

Particulars	2025-2026			2024-2025		
	Before Tax	Tax (expense)/ benefit	Net of Tax	Before Tax	Tax (expense)/ benefit	Net of Tax
Items that will not be reclassified to profit or loss:						
a) Re-measurements of the defined benefit plans	(0.19)	0.05	(0.14)	(0.21)	0.05	(0.16)
b) Equity instruments through Other Comprehensive Income	(7.33)	1.20	(6.13)	(4.15)	1.04	(3.11)
Total	(7.52)	1.25	(6.27)	(4.36)	1.09	(3.27)

(c) Reconciliation of effective tax rate

₹ in Crore

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Profit before tax*	193.32	157.94
Statutory income tax rate	25.168	25.17
Tax using the Group's domestic tax rate	48.65	39.75
Increase due to change in tax rate	-	-
Tax effect of:		
Non-deductible tax expenses / disallowances under Income Tax Act	1.04	1.16
Tax-exempt income and deductions under Chapter VI A of Income Tax Act	-	(0.05)
Changes in estimates relating to prior years	-	0.88
Others	0.35	(0.39)
Amounts recognized in other comprehensive income	-	-
	50.04	41.35

* Profit before tax is considered for the Holding Company in the reconciliation of the effective tax rate, with the subsidiary Company situated in a tax-free jurisdiction such as the UAE.

(d) Movement in deferred tax balances

As at 31.03.2026

₹ in Crore

Particulars	Net balance 1.4.2025	Recognized in profit or loss	Recognized in OCI	Net balance 31.3.2026	Deferred tax asset	Deferred tax liability
Movement in Liability						
Property, plant and equipment and intangible assets	12.68	0.55	-	13.23	-	13.23
Deferred tax on ROU	0.08	(0.04)	-	0.04	-	0.04
Prepaid expenses	0.01	-	-	0.01	-	0.01
Total (A)	12.77	0.51	-	13.28	-	13.28
Movement in Asset						
Employee Retirement Benefits	0.47	0.06	0.05	0.58	0.58	-
Investment	0.84	-	1.20	2.04	2.04	-
Provision for doubtful debts and advances	0.03	(0.03)	-	-	-	-
Provision for ECL	0.21	(0.01)	-	0.20	0.20	-
Deferred tax on lease	0.10	(0.05)	-	0.05	0.05	-
Total (B)	1.65	(0.03)	1.25	2.87	2.87	-
Tax assets / (liabilities) (A-B)	(11.12)	(0.54)	1.25	(10.41)	2.87	(13.28)

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

34. Tax expense (Contd..)

As at 31.03.2025

₹ in Crore

Particulars	Net balance 1.4.2024	Recognized in profit or loss	Recognized in OCI	Net balance 31.3.2025	Deferred tax asset	Deferred tax liability
Movement in Liability						
Property, plant and equipment and intangible assets	11.66	1.02	-	12.68	-	12.68
Deferred tax on ROU	0.12	(0.04)	-	0.08	-	0.08
Prepaid expenses	0.01	-	-	0.01	-	0.01
Investment	0.20	-	1.04	(0.84)	0.84	-
Total (A)	11.99	0.98	1.04	11.93	0.84	12.77
Movement in Asset						
Employee Retirement Benefits	0.38	0.04	0.05	0.47	0.47	-
Provision for doubtful debts and advances	0.05	(0.02)	-	0.03	0.03	-
Provision for ECL	0.19	0.02	-	0.21	0.21	-
Deferred tax on lease	0.13	(0.03)	-	0.10	0.10	-
Total (B)	0.75	0.01	0.05	0.81	0.81	-
Tax assets / (liabilities) (A-B)	(11.24)	(0.97)	(0.99)	(11.12)	1.65	(12.77)

35. Financial Instruments : Accounting classifications and fair value measurements

(i) Accounting classifications

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, short term deposits, trade payables, payables for acquisition of property, plant and equipment, short term loans from banks, financial institutions and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

(ii) Fair value measurements

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents carrying value and fair value of financial instruments by categories and also fair value hierarchy of assets and liabilities measured at fair value :

As at 31st March, 2026

₹ in Crore

Particulars	Classification				
	Carrying Value	FVTPL	FVTOCI	Amortized Cost	Fair Value
Financial assets					
Investments					
Investment in equity shares (unquoted)	14.33	-	14.32	0.01	14.33
Investment in equity shares (quoted)	34.85	-	34.85	-	34.85
Others non current financial assets	0.70	-	-	0.70	0.70
Trade receivables	573.85	-	-	573.85	573.85

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

35. Financial Instruments : Accounting classifications and fair value measurements (Contd..)

₹ in Crore

Particulars	Classification				
	Carrying Value	FVTPL	FVTOCI	Amortized Cost	Fair Value
Loans and advances					-
Loans to employees	1.01	-	-	1.01	1.01
Others	15.01	-	-	15.01	15.01
Other financial assets					
Derivative instruments	0.43	0.43	-	-	0.43
Others	22.17	-	-	22.17	22.17
Cash and cash equivalents	71.36	-	-	71.36	71.36
Bank balances	11.02	-	-	11.02	11.02
	744.73	0.43	49.17	695.13	744.73
Financial liabilities					
Lease liabilities	32.96	-	-	32.96	32.96
Borrowings					
Short term loans from banks	77.90	-	-	77.90	77.90
Trade payables and acceptances	294.29	-	-	294.29	294.29
Derivative instruments	-	-	-	-	-
Other financial liabilities	4.67	-	-	4.67	4.67
	409.82	-	-	409.82	409.82

As at 31st March, 2025

₹ in Crore

Particulars	Classification				
	Carrying Value	FVTPL	FVTOCI	Amortized Cost	Fair Value
Financial assets					
Investments					
Investment in equity shares (unquoted)	0.01	-	-	0.01	0.01
Investment in equity shares (quoted)	18.84	-	18.84	-	18.84
Others non current financial assets	0.69	-	-	0.69	0.69
Trade receivables	503.48	-	-	503.48	503.48
Loans and advances					-
Loans to employees	0.82	-	-	0.82	0.82
Others	10.27	-	-	10.27	10.27
Other financial assets					
Derivative instruments	-	-	-	-	-
Others	14.81	-	-	14.81	14.81
Cash and cash equivalents	167.05	-	-	167.05	167.05
Bank balances	14.62	-	-	14.62	14.62
	730.59	-	18.84	711.75	730.59
Financial liabilities					
Lease liabilities	30.11	-	-	30.11	30.11
Borrowings					
Short term loans from banks	2.49	-	-	2.49	2.49
Trade payables and acceptances	210.53	-	-	210.53	210.53
Derivative instruments	1.01	1.01	-	-	1.01
Other financial liabilities	4.16	-	-	4.16	4.16
	248.30	1.01	-	247.29	248.30

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

35. Financial Instruments : Accounting classifications and fair value measurements (Contd..)

₹ in Crore

Particulars	As at 31.03.2026			As at 31.03.2025		
	Fair Value			Fair Value		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
Investment in equity shares (unquoted)	-	14.32	-	-	-	-
Investment in equity shares (quoted)	34.85	-	-	18.84	-	-
Others non current financial assets	-	-	-	-	-	-
Loans and advances						
Derivative instruments	-	0.43	-	-	-	-
	34.85	14.75	-	18.84	-	-

During the reporting period ending 31st March, 2026 and 31st March, 2025, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements.

(iii) Description of significant observable inputs to valuation:

The following table shows the valuation techniques used to determine fair value :

₹ in Crore

Type	Valuation technique
Investments in equity shares (unquoted)	Fair Value
Investments in equity shares (quoted)	Fair Value
Loan to employees	Based on prevailing market interest rate
Derivative instruments	Fair valued based on prevailing market rate at each closing date
Short term loans from banks	Based on quotes from banks and financial institutions

36. Financial risk management

Risk management framework

The Group has identified financial risks and categorized them in three parts viz. (i) Credit Risk, (ii) Liquidity Risk and (iii) Market Risk. Details regarding sources of risk in each such category and how Group manages the risk is explained in following notes:

(i) Credit risk

Credit risk refers to the possibility of a customer and other counterparties not meeting their obligations and terms and conditions which would result into financial losses. Such risk arises mainly from trade receivables and investments. Credit risk is managed through internal credit control mechanism such as credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade receivables

As per the credit policy of the Group, generally no credit are given exceeding the accepted credit norms. The Group deals with large corporate houses and State Electricity Boards after considering their credit standing. The credit policy with respect to other customers is strictly monitored by the Group at periodic intervals. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers. In addition, for amounts recoverable on exports, the Group has adequate insurance to mitigate overseas customer and country risk.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

36. Financial risk management (Contd..)

The Group uses an allowance matrix to measure the expected credit losses of trade receivables (which are considered good). The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) for trade receivables:

₹ in Crore

Ageing	As at 31 st March, 2026			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-180 days past due	1.69	6.46%	0.11	1.58
180-365 days past due	0.74	13.09%	0.10	0.64
More than 365 days past due	1.05	18.20%	0.19	0.86
Credit impaired	0.46	100.00%	0.46	-
	3.94	21.83%	0.86	3.08

₹ in Crore

Ageing	As at 31 st March, 2025			
	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-180 days past due	2.96	6.30%	0.19	2.77
180-365 days past due	0.29	12.78%	0.03	0.26
More than 365 days past due	3.53	17.76%	0.63	2.90
Credit impaired	0.14	100.00%	0.14	-
	6.92	14.31%	0.99	5.93

Note:- Impairment under expected credit loss includes ₹0.14 Crore for doubtful debts P.Y. ₹0.14 Crore

Cash and cash equivalents

The Group held cash and cash equivalents of ₹71.36 Crore as at 31.3.2026 (31.3.2025: ₹167.05 Crore). The cash and cash equivalents are held with banks with good credit ratings. Also, the Group invests its surplus funds in bank fixed deposits, which carry no / low mark to market risks for short duration and therefore, does not expose the Group to credit risk.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Derivatives

The forward contracts were entered into with banks having an investment grade rating and exposure to counterparties is closely monitored and kept within the approved limits.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations on due date. The Group has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. This is ensured through proper financial planning with detailed annual business plans, discussed at appropriate levels within the organization. Annual business plans are divided into quarterly plans and put up to management for detailed discussion and an analysis of the nature and quality of the assumptions, parameters etc. Daily and monthly cash flows are prepared, followed and monitored at senior levels to prevent undue loss of interest and utilize cash in an effective manner. Cash management services are availed to avoid any loss of interest on collections. In addition, the Group has adequate borrowing limits with reputed banks in place duly approved.

a) Financing arrangements

The Group has an adequate fund and non-fund based limits lines with various banks. The Group's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. The financing products include working capital loans, buyer's credit loan, supplier's credit loan etc.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

36. Financial risk management (Contd..)

b) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows

As at 31.3.2026

₹ in Crore

Particulars	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Short term Borrowings	-	77.90	-	-	-	77.90
Trade payables	-	294.29	-	-	-	294.29
Creditors for capital goods	-	0.69	-	-	-	0.69
Deposits	3.05	-	-	-	-	3.05
Lease Liability	-	0.48	2.24	11.81	55.61	70.14
Derivative (Forward Contract)	-	-	-	-	-	-
Total	3.05	373.36	2.24	11.81	55.61	446.07

As at 31.3.2025

₹ in Crore

Particulars	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Short term Borrowings	-	2.49	-	-	-	2.49
Trade payables	-	210.53	-	-	-	210.53
Creditors for capital goods	-	0.28	-	-	-	0.28
Deposits	2.88	-	-	-	-	2.88
Lease Liability	-	0.45	2.02	13.22	50.43	66.12
Derivative (Forward Contract)	-	1.01	-	-	-	1.01
Total	2.88	214.76	2.02	13.22	50.43	283.31

(iii) Market Risk

The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price. Market risk further comprises of (a) Currency risk, (b) Interest rate risk and (c) Commodity risk.

a) Currency Risk

The Group is exposed to currency risk mainly on account of its import payables and export receivables in foreign currency. The major exposures of the Group are in U.S. dollars. The Group hedges its import foreign exchange exposure partly through exports and depending upon the market situations partly through forward foreign currency covers. The Group has a policy in place for hedging its foreign currency exposure. The Group does not use derivative financial instruments for trading or speculative purposes.

Particulars	31-Mar-26			
	\$ In Crore	Euro In Crore	AED In Crore	₹ in Crore
Financial assets				
Trade Receivables	2.35	0.01	0.28	231.40
Cash and cash equivalents	0.27	-	0.21	31.07
Net exposure for assets - A	2.63	0.01	0.49	262.48
Financial liabilities				
Trade Payables	2.26	-	-	214.01
Less: Foreign currency forward exchange contracts	0.15	-	-	14.20
Net exposure for liabilities - B	2.11	-	-	199.82
Net exposure (A-B)	0.52	0.01	0.49	62.66

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

36. Financial risk management (Contd..)

Particulars	31-Mar-25			
	\$ In Crore	Euro In Crore	AED In Crore	₹ in Crore
Financial assets				
Trade Receivables	1.21	0.03	0.27	112.21
Cash and cash equivalents	0.12	-	-	10.18
Net exposure for assets - A	1.33	0.03	0.27	122.39
Financial liabilities				
Trade Payables	1.70	-	0.02	145.62
Less: Foreign currency forward exchange contracts	1.21	-	-	103.20
Net exposure for liabilities - B	0.49	-	0.02	42.42
Net exposure (A-B)	0.84	0.03	0.25	79.97

The following exchange rates have been applied at the end of the respective years

	31-Mar-26	31-Mar-25
USD Rate	94.65	85.58
EURO Rate	109.01	92.60
AED Rate	25.77	23.28

Sensitivity analysis

The table below shows sensitivity of open forex exposure to USD / INR, EURO / INR and AED / INR movement. We have considered 1% (+/-) change in each of rates mentioned above, increase indicates appreciation in respective rates whereas decrease indicates depreciation in respective rates. The indicative 1% movement is directional and does not reflect management forecast on currency movement.

Impact on profit or loss due to % increase / (decrease) in currency

Particulars	2025-2026		2024-2025	
	Increase	(Decrease)	Increase	(Decrease)
Movement (%)	1%	1%	1%	1%
USD	0.49	(0.49)	0.72	(0.72)
EURO	0.01	(0.01)	0.03	(0.03)
AED	0.13	(0.13)	0.06	(0.06)

b) Interest rate risk

The Group is not exposed to significant interest rate risk during the respective reporting periods. Short term loans are taken on fixed interest rates.

Interest Rate Risk Exposure

The Exposure of the borrowing to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period the following weighted average interest rate on the borrowings.

Particulars	2025-2026			2024-2025		
	Weighted average Interest rate	Balance ₹ in Crore	% of Total Loans	Weighted average Interest rate	Balance ₹ in Crore	% of Total Loans
Cash Credits from banks	9.90	57.90	74.33%	10.50	2.49	100%

The percentage of total loans shows the proportion of loans that are currently at weighted average in relation to the total amount of borrowings. The percentage of borrowings of holding company is 0% and of subsidiary is 100%.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rate. In interest rate risk note we have considered impact on profit after tax.

Particulars	2025-2026		2024-2025	
	Increase	(Decrease)	Increase	(Decrease)
Movement by 100 basis point	0.24	(0.24)	0.02	(0.02)

c) Commodity Risk

Raw Material Risk

Timely availability and also non-availability of good quality base oils from across the globe could negate the qualitative and quantitative production of the various products of the Group. Volatility in prices of crude oil and base oil is another major risk for this segment. The Group procures base oils from various suppliers scattered in different parts of the world. The Group tries to enter into long term supply contracts with regular suppliers and at times buys the base oils on spot basis.

37. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following ratio: Net debt (total borrowings net of cash and cash equivalents and Liquid investments) divided by Total 'equity' (as shown in the special purpose statement of financial position)

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Net debt (Refer note (i) below)	39.50	(134.45)
Equity (Refer note (ii) below)	1,468.68	1,255.01
Net Debt to Equity	0.03	(0.11)

- i) Net Debt comprises of total borrowings (including interest accrued but not due) and lease liabilities reduced by Cash and cash equivalents and Bank balances other than cash and cash equivalents.
- ii) Equity comprises of Equity share capital and other equity.

38. Benami Transactions

The Company does not hold any Benami Property as defined under Benami Transactions (Prohibition) Act (45) of 1988 and rules made thereunder.

39. Transactions with struck off Companies

The Company does not have any transactions with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956, during the financial year ending 31 March 2026 and 31 March 2025.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

40. Restriction on number of layers

The Company has complied with the number of layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

41. Undisclosed Income

The Company does not have any undisclosed income during the financial year ended 31 March 2026 and 31 March 2025.

42. Crypto/Virtual Currency

The Company does not traded or invested in Crypto Currency or Virtual Currency during the financial year ended 31 March 2026 and 31 March 2025.

43. Code on Social Security, 2020

On November 21, 2025, the Government of India brought into force provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the "Labour Codes". The Labour Codes consolidate twenty-nine existing Central labour laws and introduce, among other matters, a uniform definition of wages and certain changes relating to employee benefits.

The Company has assessed the potential financial impact of the Labour Codes on its employee benefit obligations, including gratuity and compensated absences. Based on such assessment, including the basis presently considered by the Company for determining eligible wages for such employee benefits, the impact on the measurement of gratuity and leave encashment liabilities is not material to the financial statements for the year ended March 31, 2026 hence not disclosed under Exceptional Items.

Accordingly, incremental adjustment has been recognised in the Standalone Statement of Profit and Loss for the year ended March 31, 2026 on account of the Labour Codes. The Company will continue to monitor further developments, including final notification of applicable Rules and implementation guidance, and will evaluate any impact, if applicable, in future periods.

44. Utilization of borrowed funds and share premium

- (a) No funds (which are material either individually or in the aggregate) 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 entity ("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) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

Consolidated Notes to Financial Statements

for the year ended 31 March 2026

45. Rounding off amount

The amount of financial statements of the company have been reported in ₹(in Crore) rounded off to 2 decimals. However, while doing so, some of the above reported amounts might appear as 00 due to rounding off of amounts.

46. Previous year figures

The Group has reclassified previous year figures to conform to this year's classification.

47. Subsequent Event

There are no subsequent events after the reporting period as confirmed by management.

48. Authorization for issue of the Financial Statements

The Financial Statements were authorized for issue by the Management under the direction of the Board of Director on May 29, 2026.

Signature to Notes 1 to 48 of the financial statements

As per our report of even date attached

For **JMR & Associates LLP**

Chartered Accountants

Firm Registration No. 106912W / W100300

CA. Nikesh Jain

Partner

Membership No : 114003

Place: Mumbai

Date : 29 May 2026

For and on behalf of the board of directors of

Panama Petrochem Limited

Arif A. Rayani

Chairman

DIN: 00245647

Place: Mumbai

Date : 29 May 2026

Samir A. Rayani

Managing Director & CEO

DIN:00002674

Place: Mumbai

Date : 29 May 2026

Pramod Maheshwari

CFO

Place: Mumbai

Date : 29 May 2026

Gayatri Sharma

Company Secretary & Compliance Officer

Place: Mumbai

Date : 29 May 2026



Panama
PETROCHEM LTD.

Panama Petrochem Limited

Corp. office: 401, Aza House, 24,
Turner Road, Bandra (W), Mumbai 400 050.

Tel.: +91(22) 4217 7777

Fax: +91(22) 4217 7788

Email: ho@panamapetro.com

Website: www.panamapetro.com