



Prasol Chemicals Limited



33rd ANNUAL REPORT

2024-2025

**PRASOL THREE STAR EXPORT
HOUSE STATUS BY MINISTRY
OF COMMERCE & INDUSTRY**


सरकार के बयान
Government of India / भारत सरकार



Ministry of Commerce and Industry / वाणिज्य और उद्योग मंत्रालय
Department of Commerce / वाणिज्य विभाग
Directorate General of Foreign Trade / विदेश व्यापार महानिदेशालय
Office of the Additional Director General of Foreign Trade, Mumbai
CGO Office, New Building, SE wing, New Marine Lines, Churchgate, MUMBAI, MAHARASHTRA,
400020 / सीजीओ कार्यालय, न्यू बिल्डिंग, एसई विंग, न्यू मरीन लाइन्स, चर्चगेट, मुंबई, मुंबई, महाराष्ट्र, 400020

मान्यता प्रमाण पत्र
Certificate of Recognition
तीन सितार निर्यात हाउस
Three Star Export House

मेसर्स PRASOL CHEMICALS LIMITED
(आ ई ईसी: 0393076873 और आयकर पैन: AAACP2389N) को विदेश व्यापार नीति, 2023 के प्रावधानों के अनुसार
तीन सितार निर्यात सदन का स्तर प्रदान किया जाता है। यह प्रमाण पत्र, प्रक्रिया पुस्तक (2023) में दी गयी शर्तों के
निहित: वर्षों की अवधि के लिए दिनांक 16/08/2023 से 16/08/2028 तक वैध होगा।
MS PRASOL CHEMICALS LIMITED

तारीख / Date 16/08/2023 R.K. MISHRA
स्थान / Place MAHARASHTRA Additional DGFT
(फाइल / File No.) MU MST ATAPPLY00000433 AM24



**RASAYAN UDYOG CHEMICAL
HERO OF THE CENTURY
AWARD- FROM INDIAN
CHEMICAL SOCIETY**

CSR ACTIVITY - KHOPOLI



Flooring work at Bhagwat Dharma Seva Pratishthan School.



Computers given to Vivekananda English Medium School.

CSR ACTIVITY - KHOPOLI



Installation of solar street lights at Attargaon



Building playground for children at Beedkhurd

CSR ACTIVITY - MAHAD



Medical Checkup for Amshet Grampanchayat



CSR ACTIVITY - MAHAD



Laboratory Equipments to Dhaiwad School



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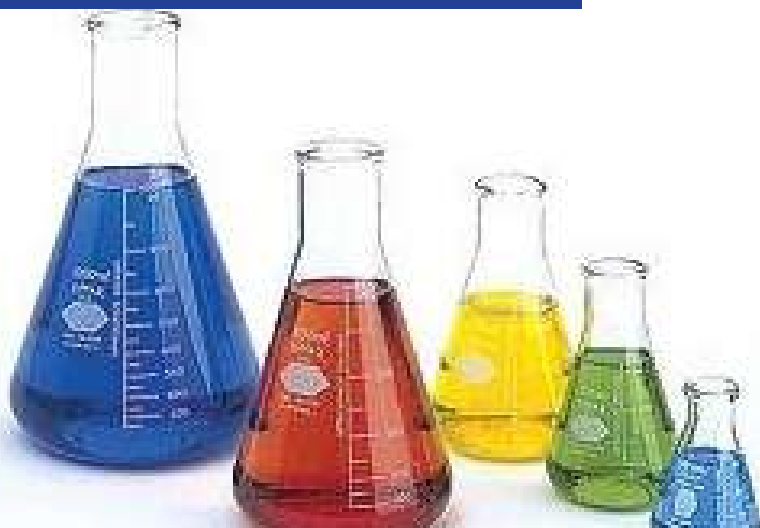


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Board of Directors



Mr. Nishith Shah
Chairman and Wholetime Director



Mr. Gaurang Parikh
Managing Director



Mr. Dhaval Parikh
Joint Managing Director



Mr. Pankil Dharia
Whole-time Director-Strategy
& Business Development



Mr. Rakesh Jadhav
Additional Whole-time
Director – EHS, Governance & Business
Process (w.e.f June 18, 2025)



Mr. G. Ramakrishnan
Non-Executive Independent Director



Prof.(Ms.) Lakshmi Kantam M
Non-Executive Independent Director



Mr. Ajay Jain
Non-Executive Independent Director
(w.e.f December 18, 2024)



Mr. Srinivasan Subramanian
Non-Executive Independent Director



Mr. Narayanan Pulkhool Nair
Additional Non-Executive Independent Director
(w.e.f June 18, 2025)



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Audit Committee

Mr. Srinivasan S. (Chairman)
Mr. Ajay Jain (Member w.e.f. Jan 1, 2025)
Mr. G. Ramakrishnan
Prof.(Ms.) Lakshmi Kantam M. (Member till Dec 31, 2024)

Nomination and Remuneration Committee

Mr. G. Ramakrishnan (Chairman)
Mr. Srinivasan S.
Mr. Ajay Jain (Member w.e.f. Jan 1, 2025)
Prof.(Ms.) Lakshmi Kantam M. (Member till Dec 31, 2024)

Stakeholders Relationship Committee

(Constituted on Dec 18, 2024 & Re-Constituted on Feb 21, 2025)

Mr. Ajay Jain (Chairman)
Mr. Nishith Shah
Mr. Gaurang Parikh

Corporate Social Responsibility Committee

Prof.(Ms.) Lakshmi Kantam M. (Chairperson)
Mr. Nishith Shah
Mr. Gaurang Parikh

Risk Management Committee

(Constituted on Dec 18, 2024 & Re-Constituted on Feb 21, 2025)

Mr. Nishith Shah (Chairman)
Mr. Gaurang Parikh
Mr. G. Ramakrishnan

Sustainability Committee

(Constituted on Sept 18, 2024)

Mr. Dhaval Parikh (Chairman)
Mr. Nishith Shah
Mr. Gaurang Parikh

Initial Public Offer (IPO) Committee

Mr. Nishith Shah (Chairman)
Mr. Gaurang Parikh
Mr. Dhaval Parikh
Mr. Pankil Dharia

Administrative Committee of the Board

Mr. Nishith Shah (Chairman)
Mr. Gaurang Parikh
Mr. Dhaval Parikh
Mr. Pankil Dharia

Key Managerial Personnel

Mr. Rahul Shroff - Chief Financial Officer & Finance Director
Ms. Kiran Agrawal - Company Secretary & Compliance Officer

Registered Office

Prasol House, Plot No A - 17/2/3,
T. T. C Industrial Area, Khairne M.I.D.C.,
Navi Mumbai, Thane – 400710, Maharashtra
CIN: U99999MH1992PLC065026
Phone: + (91-22) 61952500
Fax: + (91-22) 61952577

Plants

Honad

Group Gram Panchayat (Honad): Survey No. 13, 14, 15, 16, 8, 25 & 75, Group Gram Panchayat Honad, Takai Adoshi Road, Taluka Khalapur, District Raigad, Maharashtra 410203

Dheku

Survey No. 146, 150, 151, 152, 154 & 74 Dheku Village, Takai Adoshi Road, Taluka Khalapur, District Raigad, Maharashtra 410203

Mahad

Plot No. FS 30, Mahad Five Star MIDC, Amshet Village, Taluka Mahad, District Raigad, Maharashtra 402309

R&D Division

Prasol House, Plot No A - 17/2/3,
T. T. C Industrial Area, Khairne M.I.D.C.,
Navi Mumbai, Thane – 400710, Maharashtra

Corporate Website

www.prasolchem.com

Email: investorservices@prasolchem.com

CIN: U99999MH1992PLC065026

Statutory Auditor

C N K & Associates LLP, Chartered Accountants

501, Narain Chambers
M. G. Road, Vile Parle East
Mumbai - 400057

Cost Auditor

Rajesh Soni, Cost Accountant

C-102 New Chandroday,
Bhanusali Lane, Ghatkopar (E), Mumbai – 400077

Secretarial Auditor

AVS & Associates, Practicing Company Secretaries

Office no. 305, 3rd Floor, Sector 1, Building No. 2, Millennium Business Park, Mahape, Navi Mumbai – 400 710

Bankers /Financial Institutions

Union Bank of India (E-Andhra Bank)
Citibank N.A.
IDBI Bank Limited
DBS Bank India Limited
ICICI Bank Limited
Kotak Mahindra Bank Limited
HDFC Bank Limited

Security Trustee

Axis Trustee Services Ltd

Registrar & Share Transfer Agent

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032

Secretarial Department

Prasol House, Plot No A - 17/2/3,
T. T. C Industrial Area, Khairne M.I.D.C.,
Navi Mumbai, Thane – 400710, Maharashtra
CIN: U99999MH1992PLC065026
Phone: + (91-22) 61952500
Fax: + (91-22) 61952577
Email: investorservices@prasolchem.com



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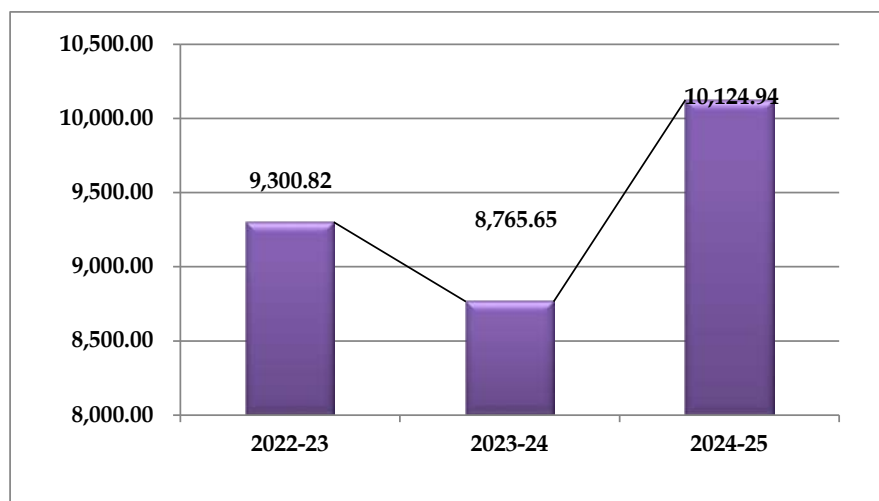
FINANCIAL HIGHLIGHTS

(₹ in Millions)

Particulars	2022-23	2023-24	2024-25
Revenue from operations	9,300.82	8,765.65	10,124.94
Other Income	25.03	109.97	30.93
Finance Cost	120.26	108.89	82.48
Depreciation	191.55	213.62	232.76
EBIDTA	880.56	708.68	899.56
Profit Before Tax	582.73	335.22	592.90
Tax	96.86	153.79	157.18
Profit After Tax	485.88	181.43	435.72
Share Capital	116.00	116.00	116.00
Reserves and Surplus	2,976.17	3,142.47	3,558.70
Fixed Assets	3,507.27	3,479.94	3,472.90
Earning Per Share (₹)	8.38	3.13	7.51

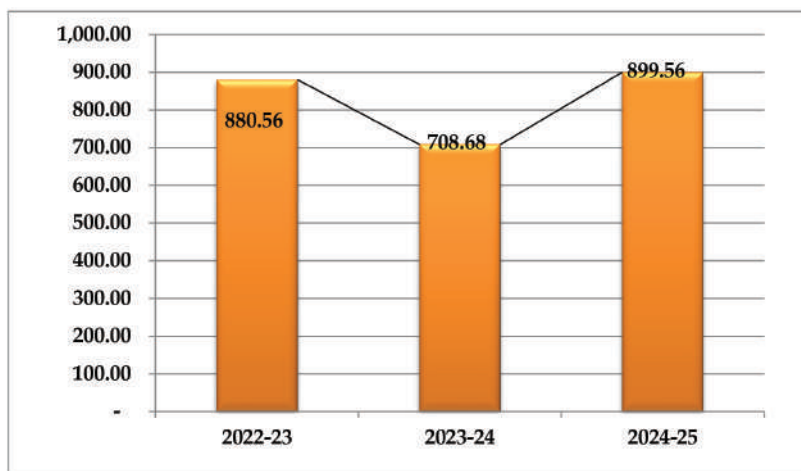
Revenue from Operations

(₹ in Millions)



Profits before Finance Cost, Depreciation and Tax (EBITDA)

(₹ in Millions)





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DIRECTORS' REPORT

The Members, Prasol Chemicals Limited

The Directors are pleased to present the 33rd Annual Report and the audited accounts of the Company for the year ended March 31, 2025.

Financial Highlights:

The Company's performance during the year ended March 31, 2025, as compared to the previous financial year, is summarized below:

(Amount in Millions)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
I. Revenue from Operations	10,124.94	8,765.65	10,124.94	8,765.65
II. Other income	30.93	109.97	30.46	109.97
III. Total income	10,155.87	8,875.62	10,155.40	8,875.62
IV. Expenses				
Cost of material consumed	6,075.99	5,174.02	6,075.99	5,174.02
Purchase of stock-in-trade	1,343.12	1,364.94	1,343.12	1,364.94
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(175.60)	(60.68)	(175.60)	(60.68)
Employee Benefits Expenses	416.99	328.31	416.99	328.31
Finance costs	82.48	108.89	82.48	108.89
Depreciation and Amortization Expenses	232.76	213.62	232.76	213.62
Other Expenses	1,587.23	1,353.66	1,586.78	1,353.66
Total Expenses (IV)	9,562.97	8,482.76	9,562.53	8,482.76
V. Profit before share of Profit/(Loss) of associates and exceptional items	592.90	392.86	592.87	392.86
VI. Share in net profit/ (Loss) of Associate	-	-	-	(0.12)
VII. Profit/ (Loss) before Exceptional Items and Tax	592.90	392.86	592.87	392.74
VIII. Exceptional Items	-	57.64	-	57.64
IX. Profit Before Tax	592.90	335.22	592.87	335.10
X. Tax expense:				
1.Current Tax	154.32	80.23	154.32	80.23
2.Deferred Tax	(2.38)	73.41	(2.38)	73.41
3. Adjustment of Tax for earlier years	5.24	0.15	5.24	0.15
XI. Profit / (Loss) for the Year	435.72	181.43	435.69	181.31
XII. Other Comprehensive Income				
A. (i) Items that will not be reclassified to (profit)/ loss	2.79	(3.04)	2.79	(3.04)
(ii) Income tax related to items that will not be reclassified to profit or loss	(0.70)	0.76	(0.70)	0.76
XIII.Total Comprehensive Income for the Year (Comprising Profit /(Loss) and Other comprehensive Income for the Year)	433.63	183.71	433.59	183.59
XIV.Earning per Equity Share				
1.Basic in ₹	7.51	3.13	7.51	3.13
2.Diluted in ₹	7.51	3.13	7.51	3.13

Performance of the Company

Highlights of your Company's performance are as under:-

- Your Company's Revenue from Operations for the year increased to ₹10,124.94 mn, as compared to ₹8,765.65 mn for the previous year.



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- Earnings before interest, tax, depreciation and amortization (EBITDA) increased to ₹899.56 mn (Current Year) from ₹708.68 mn (Previous year).
- Profit before tax (PBT) after Exceptional Items increased to ₹592.90 mn (Current Year) from ₹335.22 mn (Previous year).
- Profit after tax (PAT) increased to ₹435.72 mn (Current Year) from ₹181.43 mn (Previous year).
- Your Company has been able to leverage market conditions to attain higher net sales realization which contributed to higher profits for Fiscal 2025.

Awards & Accolades

It is immense pleasure to inform that, Company has received prestigious recognition from the Indian Chemical Society for making significant contributions to the Indian Chemical Industry. The Company has received "Rasayan Udyog Chemical Hero of the Century Award" from Indian Chemical Society.

Nature of Business

There was no change in nature of business of the Company during the year under review.

Your Company is in the process of completing and complying with various requirement(s) related to Initial Public offer ("IPO").

Dividend

Your Directors have recommended Dividend @15% i.e. ₹0.30 per equity share subject to the approval of the shareholders at the ensuing Annual General Meeting for the Financial Year ended March 31, 2025. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹17.40 mn.

Transfer to Reserves

During the year, your Company has not transferred any amount to General Reserve.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 there is no unclaimed dividend or other amount relating to the Company's securities due for remittance to the Investor Education and Protection Fund during the year under review.

Subsidiaries, Associates and Joint Venture Companies

Prasol Aromatics Private Limited was, incorporated on November 1, 2023, this was an Associate Company till January 23, 2025. With effect from January 24, 2025, Prasol Aromatics Private Limited has become Wholly owned subsidiary of your Company. Prior to January 24, 2025, your Company's stake in the Associate Company, was 34%. Application submitted for strike-off of the Wholly owned subsidiary, Prasol Aromatics Private Limited on April 28, 2025.

In accordance with the provisions of Section 129 of the Companies Act, 2013, read with the Rules made thereunder, the Company has prepared Standalone and Consolidated financial statements of the Company, which are forming part of the Annual Report. A statement containing salient features of the financial statements and other necessary information of the subsidiary in the format prescribed under Form AOC-1 is annexed as an **Annexure A**. The said Form also highlights the financial performance of the subsidiary company included in the consolidated financial statements of the Company.

Deposits

During the year under review, the Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and there are no amounts on account of principal or interest on deposit outstanding as on March 31, 2025.



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Particulars of contracts or arrangements with Related Parties

The Company has entered into transactions with related parties, all these transactions were in the ordinary course of business and on arm's length basis. There were no material significant related party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or any other designated person(s) which may have potential conflict of interest with the Company at large or which warrants the approval of the shareholders.

Particulars of contract or arrangements or transactions on arm's length basis are disclosed in Notes to Accounts forming part of this report. Further, the detailed disclosure on related party transactions as per IND AS-24 is provided in the Company's financial statements.

Particulars of Loans, Guarantees, and Investments made Under Section 186

Loans, Guarantees, and Investments made under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2025, are set out in Notes to the Standalone Financial Statements of the Company.

Details of Significant and Material Orders passed by Regulators or Courts or Tribunals impacting the Going Concern Status and Companys' operation in future

During the reporting period, there has been no significant or material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Directors and Key Managerial Personnel

Directors' Appointment and Re-appointment:

- The Board of Directors, at its meeting held on December 18, 2024, appointed Mr. Ajay Jain (DIN: 02815416) and the same has been approved by the members at the Extra-ordinary General Meeting held on June 18, 2025. He has been appointed as Non-Executive Independent Director for a term of five (5) consecutive years with effect from December 18, 2024;
- Subject to approval of members, the Board of Directors, at its meeting held on June 18, 2025, appointed Mr. Narayanan Pulkhool Nair (DIN:11124568) as an Additional Director (Non-Executive Independent Director) for a term of five (5) consecutive years with effect from June 18, 2025;
- Subject to approval of members, the Board of Directors, at its meeting held on June 18, 2025, appointed Mr. Rakesh Shivaji Jadhav (DIN: 07508734) as an Additional Director (Whole-time Director – EHS, Governance & Business Process) for a term of 3 (three) years with effect from June 18, 2025.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Rules made there under, Mr. Gaurang Parikh (DIN: 00190701) Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. Mr. Gaurang Parikh is not debarred from holding the office of Director pursuant to any Securities and Exchange Board of India Order or any other authority.

As on the date of this report, the Board consists of ten Directors, five executive directors out of which four promoter directors and one non promoter director, five Non-Executive Independent Directors out of which one is Independent Woman Director. This meets with the requirements of the Companies Act, 2013, read with the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, regarding composition of the Board of Directors (Executive and Non-Executive Directors).

Resignation from Directorship

Mr. Ajay Jain, Independent Director (DIN: 02815416) has resigned from the Directorship before the expiry of his first term of office that is with effect from April 1, 2024.

Your Board places on record contributions made by him to the Company.



Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company as on the date of this Report are:

Sr. No.	Name of KMP	Designation
1	Mr. Nishith Shah	Chairman and Whole-time Director
2	Mr. Gaurang Parikh	Managing Director
3	Mr. Dhaval Parikh	Joint Managing Director
4	Mr. Pankil Dharia	Whole-time Director – Strategy and Business Development
5	Mr. Rakesh Shivaji Jadhav (Appointed with effect from June 18, 2025)	Additional Director (Whole-time Director – EHS, Governance & Business Process)
6	Mr. Rahul Shroff	Chief Financial Officer & Finance Director
7	Ms. Kiran Agrawal	Company Secretary & Compliance Officer

Board Meetings

During the financial year, 4 (Four) Board Meetings were held, the maximum gap between any two Board Meetings did not exceed one hundred and twenty days. The details of the Board of Directors and Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report.

Declaration by Independent Directors

The Company has received declarations from all the five Independent Directors under Section 149 (7), confirming that they meet the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and read with the Schedules and Rules made thereunder. The Independent Directors have complied with the code of conduct prescribed in Schedule IV to the Act.

Policy on Director's Appointment and Remuneration

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of section 178 of Companies Act, 2013 read with the rules made there under.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 (any statutory modification(s) or re-enactment(s) thereof for the time being in force). The said Policy also includes criteria for making payments to Non- Executive Directors.

Familiarization program for Independent Director

The aim of providing familiarization program to Independent Directors (IDs) is to familiarize them with the business operation of the Company, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner.

The Company has adopted the policy on familiarization program for Independent Directors.

Details of familiarization program imparted to the Independent Directors have been disclosed in the Corporate Governance section.

Annual Evaluation by the Board

Pursuant to the provisions of Section 149 (8), Clause VIII of Schedule IV and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board has carried out the Annual Performance Evaluation of the Board and Committees as a whole, Individual Committees and of the Individual Directors including Independent Directors (except evaluation of the Directors being evaluated).



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As per clause VII of Schedule IV of the Act and Regulation 25 (3) and (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended, separate meeting of the Independent Directors of the Company was held to:

- i) review the performance of Non-Independent directors and Board of Directors as a whole;
- ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- iii) assess the quality, quantity and timeliness of flow of information between the Management and Board of directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

During the reporting period under review, provisions of Section 134 (3) (p) read with the Rule 8 (4) of the Companies (Accounts) Rules, 2014 not applicable with respect to disclosure of manner in which evaluation has been carried out, said provision may be complied in the subsequent financial year subject to its applicability.

Events Subsequents to the Date of Financial Statements

No Significant event has taken place post-closure of the date of the Financial Statement except following:

Your Company is in the process of completing and complying with various requirement(s) related to Initial Public offer ("IPO").

Application for strike-off has been made by the wholly-owned-subsiidiary, Prasol Aromatics Private Limited to the Registrar of Companies on April 28, 2025.

Particulars of Employees

Disclosures relating to remuneration and other details, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annual Report in **Annexure B**, which forms part of this Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report which forms part of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of your Company with prior notice and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

Auditors

A. STATUTORY AUDITORS

Pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013,read with the rules framed thereunder, M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W/W-100036) were appointed as Joint Statutory Auditors at the 30th Annual General Meeting of the Company held on September 27, 2022 for one term of five consecutive years to hold office until the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2027.

Pursuant to the provisions of Section 139 (1) read with proviso and Rule 4 of the Companies (Audit & Auditors) Rules, 2014 M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W/W-100036), have given written consent along with a confirmation that they continue to comply with the eligibility norms, as prescribed under the Companies Act, 2013

Due to non-mandatory requirement, in discussion with the management, M/s S.V. Shanbhag & Co., Chartered Accountants' (FRN: 109887W) has resigned from the position of Statutory Auditors with effect from March 21, 2023.

M/s CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036), continue as Sole Statutory Auditor of the Company.



During the year under review, the Statutory Auditors have not made any major qualifications, reservations or adverse remark or disclaimer in their report on the financial statements for the year ended March 31, 2025. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and do not require any further clarifications under Section 134(3) (f) of the Act except below:

- i. As referred in the Independent Auditors Report, the Company is in the process of strengthening controls over maintenance of quantitative item-wise details and corresponding values of Inventory at year-end (including stages at which Inventory is lying) and allocation of overheads.
- ii. The Company is in the process to evaluate feasibility and suitably modify its workflow processes and configuration in its existing accounting software to obtain desired results.

B. COST AUDITOR

Pursuant to the provisions of Section 148 (1) of the Companies Act, 2013, read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records and accordingly such records and accounts are prepared and maintained.

Pursuant to the provisions of Section 148 (3), read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014 as amended, the Board of Directors has appointed Mr. Rajesh Soni, Cost Accountant, Membership No. 12107 as the Cost Auditor for conducting the audit of the cost records of the Company for the financial year 2025-26 and fixed remuneration.

As recommended by the Audit Committee, the Board of Directors at its meeting held on June 18, 2025 proposed the appointment of Mr. Rajesh Soni, Cost Accountant to conduct the audit of the cost records for the financial year 2025-26 and fix the remuneration. Approval of the members is sought by way of ratification for the remuneration payable, as required under the provisions of the Companies Act, 2013 and rules framed thereunder.

Pursuant to the provisions of Section 148 read with Rule 6 (1) (1A) of the Companies (Cost Records and Audit) Rules, 2014, Mr. Rajesh Soni, Cost Accountant has given written consent along with confirmation that, the appointment, if made by the members, would be within the limits prescribed under the Act.

C. INTERNAL AUDITORS

Pursuant to the provisions of Section 138 read with the Rule 13 of the Companies (Accounts) Rule, 2014, M/s. Aneja Associates, Chartered Accountants, Firm Registration No.: 100404W has been appointed as Internal Auditors of the Company for a period of one year to conduct audit of the Books of account for the financial year 2025-26.

D. SECRETARIAL AUDITORS

M/s. D.S. Momaya & Co. LLP, Practicing Company Secretary (FRN: L2022MH012300) were appointed as the Secretarial Auditor of the Company for the financial year 2023-24.

Pursuant to the recommendation of the Audit Committee, the Board of Directors at its meeting held on September 18, 2024, M/s. AVS & Associates, Practicing Company Secretary (Mem. No: F11804 and C.P. No: 16883), were appointed as the Secretarial Auditor of the Company for the Financial Year 2024-25 as required under Section 204 of the Companies Act, 2013 and the rules made thereunder to issue Secretarial Audit Report. As your Company is not listed, Annual Secretarial Compliance report for the financial year ended March 31, 2025 has not been obtained.

A report from the Secretarial Auditor for the financial year 2024-25 in the prescribed form MR – 3 is annexed as an **Annexure C** forming part of this report. There are no qualifications, reservation or adverse remark made by the Secretarial Auditor in their report, save and except disclaimer made by them in discharge of their professional obligation.

Internal Control Systems

Your Company has laid down standards and processes which enable internal financial control across the Organization ensuring same are adequate and operating effectively. Such internal controls have been reviewed and no material weakness in the design or operation has been observed during the year under review.

Policies

Company has adopted policies required as per the provisions of the Companies Act, 2013 and voluntarily adopted policies applicable to the listed companies and uploaded on the website of the Company.



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All such policies are available at the Company's website at www.prasolchem.com and reviewed /updated periodically as and when needed to comply with the amendments, if any, in the said provisions.

Risk Management Policy and Compliance Framework

The Company has a Risk Management Policy consistent with the provisions of the Companies Act, 2013 in the areas of risk identification, assessment, monitoring and mitigation and reporting. The major risks forming part of the Enterprise Risk Management process are also aligned with the audit universe, to the extent seen appropriate/ relevant.

Secretarial Standards

Your Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under section 118 (10) of the Companies Act, 2013. Thus, the Company hereby confirms Compliance with the applicable requirements of Secretarial Standards 1 and 2.

Corporate Social Responsibility (CSR)

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the applicable rules made there under, the Company has duly constituted/re-constituted CSR Committee. The details of the Committee members are provided in the Corporate Governance Report of the Company, which forms part of the Annual Report.

CSR Policy

CSR Policy is available at the website of the Company at www.prasolchem.com.

CSR amount spent during the financial year 2024 -25

As per the statutory obligation, Company is required to spend ₹1,40,09,149 (Rupees One Crore Forty Lacs Nine Thousand One Hundred Forty Nine Only) towards CSR activities in the financial year 2024-25, however, after adjusting the set off (carried forward) of the financial year 23-24 of ₹1,54,837 (Rupees One Lac Fifty Four Thousand Eight Hundred Thirty Seven Only), Company is required to spend ₹1,38,54,312 (Rupees One Crore Thirty Eight Lacs Fifty Four Thousand Three Hundred Twelve Only) towards CSR activities in the financial year 2024-25.

During the financial year 2024-25, your Company has spent the amount of ₹1,38,80,287 (Rupees One Crore Thirty Eight Lacs Eighty Thousand Two Hundred Eighty Seven Only) including transfer to PM CARES Fund post closure of the financial year. Excess amount of ₹25,975 (Rupees Twenty Five Thousand Nine Hundred Seventy Five Only) spent towards CSR will be carried forward and set off against the required 2% CSR expenditure up to the immediately succeeding three financial years, subject to the compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014.

The Annual Report on CSR Activities undertaken by the Company during the financial year 2024-25, is annexed as **Annexure D** which forms part of this Report.

Whistle Blower/Vigil Mechanism

Pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with the rules framed thereunder and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 as amended, the Company has adopted Whistle Blower and Vigil mechanism policy, same available at the Company's website at www.prasolchem.com.

The vigil mechanism has been constituted for the directors and employees to report their genuine concerns or grievances about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct and to provide adequate safeguards against victimization of directors or employees or any other person who avail the mechanism. The policy displays the name and E-mail ID of Chairman of the Audit Committee to address appropriate or exceptional cases. During the financial year 2024-25, no instance under the Whistle Blower Policy has been reported.

Committees of the Board

The Company has the following committees of the Board of Directors and details pertaining to committees are mentioned in the Corporate Governance Report, which forms part of this Annual Report.

- Audit Committee
- Nomination and Remuneration Committee



- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Sustainability Committee
- Administrative Committee of the Board
- Initial Public Offer (IPO) Committee

Reporting of Frauds by Auditors

There were no frauds reported by the Statutory Auditors of the Company under the provisions of Section 143(12) of the Companies Act, 2013 and the Rules made thereunder.

Annual Return

In compliance with the provisions of Section 134 and 92 of the Companies Act, 2013, the Company has placed a copy of the Annual Return as on March 31, 2025 on its website at <https://prasolchem.com/investor-relations/>

Disclosure Relating to Equity Shares with Differential Rights

The Company has not issued any equity shares with differential rights during the year under review.

Disclosure Relating to Sweat Equity Shares

The Company has not issued any sweat equity shares during the year under review.

Disclosure Relating to Employees Stock Option Scheme and Employees Stock Purchase Scheme

The Company does not have any Employee Stock Option Scheme or Employee Stock Purchase Scheme.

Details of Application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their Status at the end of the Financial Year

No application has been made or any proceeding pending under the Insolvency and Bankruptcy Code against the Company.

Material Changes and Commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statement relates and the date of the Report

There were no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year to which this report relates to and the date of this report.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company treats its employees equally, with dignity and with no gender bias. The Company's Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. Your Company has constituted an Internal Complaints Committee and it redresses the complaints received on sexual harassment.

Particulars	Number
Number of complaints pending as on the beginning of the financial year (01/04/2024)	0
Number of complaints filed during the financial year	0
Number of complaints pending as at the end of the financial year (31/03/2025)	0



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Conservation of Energy & Technology Absorption

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided as an **Annexure E** attached to this report.

Corporate Governance and Management Discussion and Analysis Report

The Company is committed towards maintaining the best standards of Corporate Governance and voluntarily adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015, as amended, forms part of the Annual Report.

The Management Discussion and Analysis Report for the financial year 2024-25, as stipulated under Regulation 34(3) and Part B of Schedule V of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015, forms part of the Annual Report.

Green Initiative

We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and the Company's continuous efforts towards greener environment by enabling the service of the Annual Report, General Meeting Notice and other documents electronically at your email address registered with your Depository Participant/ Registrar and Share Transfer Agent.

We request all the members whose email id is not registered to take necessary steps to register their email id with the Depository Participant/ Registrar and Share Transfer Agent.

Director's Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had laid down Internal Financial Controls to be followed by your Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Statement of Board of Directors

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company possess the highest standards of integrity, relevant expertise and experience required to serve in the best interest of the Company.



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Acknowledgements

Your Directors wish to express sincere thanks for the continuous support from customers, suppliers, banks, creditors etc., without which your Company's achievements would not have been possible.

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company.

Your Company wish to place on record sincere thanks to the shareholders for the confidence reposed by them in the Company and also wish to place on record their sincere appreciation for the continued support, and cooperation received from the Government, Regulatory & Statutory bodies.

**By order of the Board of Directors
For Prasol Chemicals Limited
CIN: U99999MH1992PLC065026**

**Nishith Shah
Chairman & Whole-time Director
DIN: 00381267**

**Gaurang Parikh
Managing Director
DIN: 00190701**



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Annexure A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A – Subsidiaries

Name of the Subsidiary	Prasol Aromatics Private Limited
1. Latest audited Balance Sheet Date	March 31, 2025
2. Date on which the Subsidiary was acquired	January 24, 2025
3. Shares of Subsidiary held by the company on the year end	
* (a) No. of Shares held	150000
(b) Extent of shareholding (in percentage)	100%
4. Share Capital	₹ 1.50 Mn
5. Reserve and Surplus	(₹ 1.50 Mn)
6. Total Assets	Nil
7. Total Liabilities	Nil
8. Investment (Excluding investment made in subsidiary)	Nil
9. Turnover	Nil
10. Profit or Loss before Tax	(₹ 1.15 Mn)
11. Provision for Tax	Nil
12. Profit or Loss after Tax	(₹ 1.15 Mn)
13. Proposed Dividend	Nil

* To ensure compliances with the provisions of the Companies Act, 2013 and rules made thereunder with respect to minimum number of members, one share held by Mr. Dhaval Parikh as Nominee Shareholder on behalf of Prasol Chemicals Limited.

Part B – Associates and Joint Ventures – Nil

Notes:

- Names of associates or joint ventures or subsidiaries which are yet to commence operations – Prasol Aromatics Private Limited.
- Names of associates or joint ventures or subsidiaries which have been liquidated or sold during the year – Nil
- Subsidiary with effect from January 24, 2025, prior to January 24, 2025, Prasol Aromatics Private Limited was an Associate Company.
- Application submitted for strike-off of the subsidiary, Prasol Aromatics Private Limited on April 28, 2025.

By order of the Board of Directors
For Prasol Chemicals Limited
CIN U99999MH1992PLC065026

Nishith Shah
Chairman & Whole-time Director
DIN 00381267

Gaurang Parikh
Managing Director
DIN 00190701

Rahul Shroff
Chief Financial Officer & Finance Director

Kiran Agrawal
Company Secretary
ACS 13188

**Annexure B****Particulars of Employees and Managerial Remuneration**

Particulars of Employees pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows:

- (a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year (FY):

Names of Directors	Designation	Ratio of the remuneration of directors to median remuneration of the employees
Mr. Nishith Shah	Chairman and Whole time Director	73.53
Mr. Gaurang Parikh	Managing Director	51.99
Mr. Dhaval Parikh	Joint Managing Director	39.32
Mr. Pankil Dharia	Whole-time Director – Strategy and Business Development	23.74
Prof.(Ms) Lakshmi Kantam M.	Non-Executive Independent Director	--
Mr. G. Ramakrishnan	Non-Executive Independent Director	--
Mr. Srinivasan S.	Non-Executive Independent Director	--
*Mr. Ajay Jain	Non-Executive Independent Director	--
Mr. Rahul Shroff	Chief Financial Officer & Finance Director	12.81
Ms. Kiran Agrawal	Company Secretary	2.62

* Mr. Ajay Jain, Independent Director, appointed with effect from December 18, 2024.

No commission was declared and paid to Independent Directors in the FY 2024 – 25.

Ex-gratia: During the FY 2024-25, ₹4,25,000 paid to Mr. Pankil Dharia.

- (b) Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2024-25:

Names of Directors/ Chief Financial Officer/ Company Secretary	Designation	% increase in remuneration in financial year
Mr. Nishith Shah	Chairman and Whole-time Director	-
Mr. Gaurang Parikh	Managing Director	-
Mr. Dhaval Parikh	Joint Managing Director	-
Mr. Pankil Dharia	Whole-time Director-Strategy and Business Development	-
Prof. (Ms) Lakshmi Kantam M.	Non-Executive Independent Director	-
Mr. G Ramakrishnan	Non-Executive Independent Director	-
Mr. Srinivasan S.	Non-Executive Independent Director	-
*Mr. Ajay Jain	Non-Executive Independent Director	-
**Mr. Rahul Shroff	Chief Financial Officer & Finance Director	-
Ms.Kiran Agrawal	Company Secretary	8%

* Mr. Ajay Jain, Independent Director, appointed with effect from December 18, 2024.



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No commission was declared and paid to Independent Directors in the FY 2024 - 25 PLVB: Performance Linked Variable Bonus. No PLVB is proposed to be paid to the Directors in the FY 24-25.

- (c) Percentage increase in the median remuneration of employees in the financial year: 8.57%
- (d) Number of permanent employees on the rolls of Company: 621
- (e) 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:

During the financial year, average increases in salaries of employees was 8% and average increase in managerial salaries was Nil

- (f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company assures that the remuneration is as per the Nomination cum Remuneration Policy of the Company.



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Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

[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,

PRASOL CHEMICALS LIMITED

Add: Prasol House, Plot No A - 17/2/3,

T. T. C. Industrial Area, Khairne M.I.D.C.,

Thane, Navi Mumbai-400710, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prasol Chemicals Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and the maintenance of records based on the audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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

Unmodified Opinion:

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 ('**the Act**') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder; (**Not Applicable to the Company during the audit period**);
- (iii) The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment, and Overseas Direct Investment (**Not Applicable to the Company during the audit period**);
- (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 (**Not Applicable to the Company during the audit period**);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**Not Applicable to the Company during the audit period**);



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- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during 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 during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the review 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 clients to the extent applicable;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the audit period) and;**
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the audit period);**
- (vi) We have relied on the representations made by the Company and its Officers for systems and mechanisms formed for compliance with the following laws which are specifically applicable to the Company;
 1. Environment (Protection) Act, 1986, Environment Protection Rules, 1986 and Environment Impact Assessment Notification, 2006.
 2. Water (Prevention and Control of Pollution) Act, 1974
 3. Air (Prevention and Control of Pollution) Act, 1981
 4. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
 5. Manufacture, Storage and Import of Hazardous Chemicals (MSIHC) Rules, 1989
 6. Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996
 7. Factories Act, 1948
 8. Occupational Safety, Health and Working Conditions Code, 2020
 9. Explosives Act, 1884 & Rules thereunder
 10. Petroleum Act, 1934 & Petroleum Rules, 2002
 11. Static and Mobile Pressure Vessels (Unfired) Rules, 2016
 12. Gas Cylinder Rules, 2016
 13. National Building Code (NBC), 2016
 14. Plastic Waste Management Rules, 2016
 15. Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011
 16. Foreign Trade (Development and Regulation) Act, 1992
 17. Insecticides Act, 1968
 18. Employees' State Insurance Act, 1948
 19. Employees' Provident Fund Act, 1952
 20. Payment of Wages Act, 1936
 21. Contract Labour (Regulation & Abolition) Act, 1970
 22. Material Safety Data Sheets (MSDS)
 23. REACH/ GHS Labelling
 24. Chemical (Management and Safety) Rules 2021 The Indian Boilers Act, 1923 and the Indian Boiler Regulation, 1950
 25. The Arms Act, 1959



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the audit period).**

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

We further report that:

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors, and Independent Directors, to the extent applicable.

Adequate notice is given to all directors to schedule the Board Meetings and agenda items were generally sent 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.

All decisions passed at the meetings of the Board of Directors and its Committees were in compliance with the provisions of the Companies Act, 2013, and the applicable Secretarial Standards. Further, the same has been recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that the following are the material events that occurred during the Audit period :

1. In view of the Company's proposed expansion, and subject to the approval of the shareholders, the Board of Directors, at its meeting held on February 21, 2025, has approved the proposed issuance of equity shares by way of a fresh issue along with an offer for sale. Further, in accordance with the requirements and directives, the Board has also resolved to alter the Memorandum of Association and Articles of Association of the Company, as may be necessary and appropriate, to align with the applicable regulatory framework and to facilitate the proposed public offering.
2. During the year, the Company increased its shareholding in Prasol Aromatics Private Limited from 34% to 100%, thereby making it a wholly-owned subsidiary. Subsequent to the closure of the financial year, application has been filed with ROC for strike-off of its wholly-owned subsidiary, Prasol Aromatics Private Limited.

**For AVS & Associates
Company Secretaries**

**Shashank Ghaisas
Partner
Membership No: F11782
CP No: 16893
Peer Review No: 1451/2021
UDIN: F011782G000629564**

**Place: Navi Mumbai
Date: 18/06/2025**

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



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Annexure- I

To,

The Members,

PRASOL CHEMICALS LIMITED

Add: Prasol House, Plot No A - 17/2/3,

T. T. C. Industrial Area, Khairne M.I.D.C.,

Thane, Navi Mumbai-400710, Maharashtra, India.

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

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue a Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test-check 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 the 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 major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issuing the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For AVS & Associates

Company Secretaries

Shashank Ghaisas

Partner

Membership No: F11782

CP No: 16893

Peer Review No: 1451/2021

UDIN: F011782G000629564

Place: Navi Mumbai

Date: 18/06/2025



Annexure D

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on the Company's CSR policy:

The CSR philosophy of the Company is to extend support to the underprivileged through rural development projects, healthcare programmes, education assistance, and environmental sustainable actions such as tree plantation and maintaining a zero-discharge facility. The Company is also focusing on various initiatives for empowering women belonging to the poor segment of the society.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Position in the Committee	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.	Prof. (Ms) Lakshmi Kantam M.	Chairperson	Independent Director	1	1
2.	Mr. Nishith Shah	Member	Executive Director		1
3.	Mr. Gaurang Parikh	Member	Executive Director		1

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:

Details with respect to composition of CSR committee, CSR Policy and CSR projects approved by the Board of Directors are available at www.prasolchem.com

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 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not applicable

5. (a) **Average net profit of the company as per sub-section (5) of section 135 :** ₹ 700.46 mn
 (b) **Two percent of average net profit of the company as per sub-section (5) of section 135:**
 ₹ 14.01 mn
 (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 :** ₹ 0.15 mn

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)] :** ₹ 13.85 mn

*Excess spent in the FY 2023-24, ₹ 0.15 mn carried forward

CSR Obligation for the financial year 2024-25 after adjustment of the carried forward of the excess amount of ₹ 0.15 mn is ₹ 13.85 mn

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) :** ₹ 12.54 mn
 (b) **Amount spent in Administrative Overheads :** ₹ 0.62 mn
 (c) **Amount spent on Impact Assessment, if applicable:** NA
 (d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 13.16 mn



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

(₹ in Million)

Total Amount Spent for the Financial Year	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
₹13.16mn	-	-	PM CARES Fund	₹0.71 mn	25-04-2025
			PM CARES Fund	₹0.01 mn	21-05-2025

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

(₹ in Million)

Sr. No.	Particulars	Amount ₹
*1	Two percent of average net profit of the Company as per section 135(5)	13.85 mn
2	Total amount spent for the Financial Year	13.88 mn
3	Excess amount spent for the Financial Year [(2)-(1)]	0.03 mn
4	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
5	Amount available for set off in succeeding Financial Years [(3) – (4)]	0.03 mn

* 2% of average net profit of financial year 2024-25 ₹ 14.01 mn Less set off on account of excess CSR spent in the financial year 2023-24 ₹ 0.15 mn

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(₹ in Million)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency if any
					Amount	Date of transfer		
1	2022-23	-	-	-	-	-	-	-
2	2023-24	-	-	-	-	-	-	-
3	2024-25	-	-	-	-	-	-	-

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

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired



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Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no., house no., Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason, if the Company has failed to spend two per cent of the average net profit as per section 135(5): NIL

For and on behalf of the Board of Directors of
Prasol Chemicals Limited
CIN U99999MH1992PLC065026

Lakshmi Kantam M.
Chairperson – CSR Committee
DIN 07831607

Nishith Shah
Chairman & Whole-time Director
DIN 00381267

Place: Navi Mumbai
Date: June 18, 2025



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ANNEXURE- E

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY: -

All business continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Energy costs and renewable energy contributions were continuously tracked to monitor alignment with company's overall sustainability approach.

(i) the steps taken or impact on conservation of energy

- Optimized the operation of the MEE by increasing the feed temperature, enhancing heat recovery efficiency, and reducing overall energy consumption by 10%, resulting in improved treatment performance and lower operational cost per unit.
- Completed boiler inspection and maintenance activities to improve efficiency and ensure reliable operation.
- Streamlined the evaporation and circulation systems to minimize equipment power consumption through better operating practices.
- Steam consumption per ton was reduced by 25% for a key product, improving the energy efficiency of the process.

(ii) the steps taken by the company for utilizing alternate sources of energy

- Direct evaporative condensers have been implemented in the chiller plant, eliminating the need for cooling water. This approach significantly reduces power consumption and lowers the load on the effluent treatment plant (ETP).

(iii) the capital investment on energy conservation equipment

- Implemented heat integration in the reaction section of an energy-intensive product to recover and reuse energy from process streams, resulting in monthly savings of ₹2.5 lakh.
- Installed Thyristor panels on furnaces to control power usage and achieve expected energy savings (currently under monitoring).
- After automating the fan based on sump temperature, fan operation during the winter season was limited to 2–3 hours per day, remaining off for around 22 hours, resulting in energy cost savings of approximately ₹3.5 lakh over the past 2 months. During non-winter days, additional energy savings achieved by switching off the fan at night when ambient temperatures are lower. Monitoring is going on to collect more data.

(B) TECHNOLOGY ABSORPTION: -

(i) the Efforts made towards technology absorption

- Installed a condenser with a chilling system to improve cooling efficiency and maintain better product temperature control, enhancing product quality.
- Installed variable frequency drives (VFDs) on cooling tower pumps to optimize speed control and reduce electrical energy consumption, resulting in monthly savings of ₹60K
- Commissioned 380 KVA DG set AMF panel for automatic operation and also installed Earth-Rite system for tanker unloading to improve safety.
- Commissioned an upgraded scrubber system equipped with emergency backup to ensure reliable operation and enhance environmental safety.
- Installed a safety hooter system to alert operators during reactor tripping events, improving operational awareness and response time.
- Commissioned a scrubber system with safety interlocks and emergency power backup, significantly enhancing operational safety and compliance.



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(ii) the Benefits derived like product improvement, cost reduction, product development or import substitution	• Achieved a 30% reduction in calcium chloride consumption per batch in MPD, resulting in lower raw material usage and reduced effluent load. • Lowered catalyst consumption per ton of product, enhancing utilization efficiency and reducing overall material costs. • Improved the final product purity and maintained consistent conformance to specifications, enhancing overall product quality. • Increased daily production rates after resolving critical equipment issues, resulting in better throughput and equipment utilization. • Optimized manufacturing yields, resulting in improved conversion rates and reduced raw material consumption per unit of output. • Reduced solid waste generation per ton of product by improving process efficiency and minimizing by-product formation. • Achieved approximately 30% reduction in solid waste generation for a major product through ongoing process optimization, resulting in lower disposal requirements and enhanced environmental performance.		
(iii) in case of imported technology (imported during the last three years) reckoned from the beginning of the financial year	A continuous process plant has been imported for one of our key products, offering significantly higher energy and cost efficiency. The plant is designed to utilize the heat generated during the reaction to produce steam, which can be repurposed for heating requirements in other processes. Installation is currently underway, with production expected to commence later this year.		
(C) Foreign Exchange Earning(s) And Outgo (Rs. In Million): -	Particulars	2024-25	2023-24
	Foreign Exchange Inflow	2741.89	2294.72
	Foreign Exchange Outflow	5266.10	4204.34

By order of the Board of Directors
For Prasol Chemicals Limited
CIN U99999MH1992PLC065026

Nishith Shah
Chairman & Whole-time Director
DIN 00381267

Gaurang Parikh
Managing Director
DIN 00190701

Place: Navi Mumbai
Date: June 18, 2025



CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Company's philosophy is to conduct its business activities in ethical, fair and transparent manner for the long term enhancement of the stakeholders value and interest and continuous improvement in performance by adhering to good corporate governance practices.

Your Company focuses on long term shareholder value creation through appropriate decision making.

As on the date of this report, your Company is an unlisted public company.

Your Company has voluntarily implemented the Corporate Governance.

2. BOARD OF DIRECTORS (Board)

a) Composition of Board of Directors

- The Board is constituted in compliance with the provisions of the Companies Act, 2013 (The Act), as amended. As on the date of this report, the Board consists of ten Directors, five executive directors out of which four promoter directors and one non promoter director, five Non-Executive Independent Directors out of which one is Independent Woman Director.
- Nominee Director or Institutional Directors are not appointed in the Company.
- None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serve as an independent director on more than seven listed entities. Necessary disclosures regarding their Committee positions, if any, in other public companies as on date have been made by all the Directors. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he or she is a Director.



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b) Details of attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting

The details of Board Meeting and last Annual General Meeting attended by the Board members are given herein below:

S.No.	Name	Category of Director - Executive Director (ED) Non-Executive Director (NED), Independent Director (ID)	Total Board Meeting Held during the tenure of the Director	No. of Board Meetings attended during the year	Attendance at AGM held on September 18, 2024	**No. of Directorships in other public limited Companies	***No. of Committee positions held in other public limited Companies (C) / Chairmanship (M)	Names of the listed entities where the person is a director and the category of directorship
1	Nishith Shah	ED	4	4	Yes	-	-	-
2	Gaurang Parikh	ED	4	3	No	-	-	-
3	Dhaval Parikh	ED	4	4	Yes	-	-	-
4	Pankil Dharja	ED	4	4	Yes	-	-	-
5	Lakshmi Kantam M.	ID	4	4	Yes	3	M=3, C=1	a.NACL Industries Limited b.Vinati Organics Limited c.Godavari Bio-refineries Limited
6	Srinivasan S.	ID	4	4	No	-	M=NIL, C=NIL	NIL
7	G. Ramakrishnan	ID	4	4	Yes	1	M=1, C=1	Galaxy Surfactants Limited
8	Ajay Jain (Appointed w.e.f. December 18, 2024)	ID	2	1	Nil	-	M=NIL, C=NIL	NIL
9	Narayanan Pulkhool Nair (Appointed w.e.f. June 18, 2025)	ID	-	-	-	-	-	-
10	Rakesh Shivaji Jadhav (Appointed w.e.f. June 18, 2025)	ED	-	-	-	-	-	-

** Directorship only of Indian public limited company is considered.

*** Audit Committee and Stakeholder Relationship Committee are considered for the purpose.



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c) Number of Board Meetings held and dates on which held

- During the year under review, total 4 (Four) Board Meetings were held. The time gap between the two meetings was not more than 120 days.
- The Board met on following occasions as follows :
(i) 12.07.2024 (ii) 18.09.2024 (iii) 18.12.2024 (iv) 21.02.2025.

d) Disclosure of Relationships between Directors Inter-se:

None of the Directors are related to each other within the meaning of "relative" under Section 2(77) of the Companies Act, 2013.

e) Number of shares and convertible instruments held by Non-executive Directors as on March 31, 2025

None of the Non-executive and / or Independent Director(s) are holding any shares as on March 31, 2025.

f) Familiarization program imparted to Independent Directors in the FY 2024-25

The Company has issued appointment letter to the Independent Directors setting out in detail, the terms of appointment, roles and responsibilities, duties, professional conduct and confidentiality of the information.

During the year under review, Company has been familiarizing Independent Directors (IDs) on a quarterly basis at the Board and Committee meetings.

The IDs are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and committee meetings on business and performance updates of the Company including finance, sales, major business segments such as Environment, Health & Safety, overview of business operations, global business environment, business strategy and risks involved.

Details of familiarization program imparted to IDs not uploaded in the Company's website, however same will be uploaded in the Company's website post listing on the Stock Exchanges.

g) Competencies/skills/expertise for the effective functioning of the Company

As required by the Listing Regulations, Skills / Expertise / Competencies that are identified and available within the Board of the Company for effective and smooth functioning of the Company are given below:

Sr. No.	Name of Director(s)	Skill/Expertise/Competency
1	Mr. Nishith Shah	Leadership/Operational experience, Chemical industry, Strategic Planning, Risk Management, Stakeholder Relations, Finance, Management & Administration, HR & People Management
2	Mr. Gaurang Parikh	Leadership/Operational experience, Chemical industry, Strategic Planning/ Business Planning/Purchase
3	Mr. Dhaval Parikh	Leadership, Chemical industry, Strategic Planning, Business Development, Sales & Marketing, Factory Debottlenecking for productivity
4	Mr. Pankil Dharia	Leadership/Operational experience, Chemical industry, Strategy Planning, Business Development, Sales & Marketing
5	Prof. (Ms.) Lakshmi Kantam M.	Catalysis, R & D, Cost Control, New Product/innovation, Industry expert, Knowledge of Company's Business
6	Mr. Srinivasan S.	Funding, Re-structuring, Investment Advisory, Project Management, Costing, Accounting, Audit, Compliances, Legal & Secretarial, Knowledge of Company's Business
7	Mr. G. Ramakrishnan	Sales & Marketing, Personal & home care, innovation, Risk Management, Legal & Secretarial, Management & Administration, Finance, Information Technology & System, Knowledge of Company's Business
*8	Mr. Ajay Jain	Project Management, Operation, Supply Chain & Distribution, Manpower, Marketing, Production, Knowledge of Company's Business
#9	Mr. Narayanan Pulkhool Nair	Purchase, Supply-Chain, International Marketing & Sales of Agro Chemicals and other Commercial activities
\$10	Mr. Rakesh Shivaji Jadhav	Control objectives of Information & Related technologies, Business Process improvements in the areas of Strategy & Governance, Human Resources, Infrastructure & Operations, Security & Risk, App Management, Data & BI, PPM, System Analysis and design



* Mr. Ajay Jain, was appointed as Non-Executive Independent Director w.e.f. December 18, 2024.

Mr. Narayanan Pulkhool Nair was appointed as an Additional Director (Non-Executive Independent Director) w.e.f. June 18, 2025.

\$ Mr. Rakesh Shivaji Jadhav was appointed as an Additional Director (Whole-time Director – EHS, Governance & Business Process) w.e.f. June 18, 2025.

h) **Independent Directors fulfil the conditions specified in these regulations and are independent of the management**

The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of independence as laid down under this regulation as well as Section 149 (6) of the Act and rules made thereunder.

As on the date of this report, the Board confirms that the Independent Directors of the Company fulfil the conditions specified in SEBI LODR Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

i) **Re-appointment of Director retiring by rotation at the Annual General Meeting**

Pursuant to the applicable provisions of the Companies Act, 2013, Mr. Gaurang Parikh (DIN: 00190701), Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Brief Profile

Mr. Gaurang Parikh has been the Managing Director of the Company since August 9, 2001.

He holds a Bachelor's Degree in Engineering, in Chemical Branch from University of Pune, India and a Master's of Science in Chemical Engineering from the University of Toledo, USA.

Prior to joining Company, he was associated with Rostone Corp and The Budd Company, USA.

Pursuant to the Secretarial Standards 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosure(s) are given here under:

DIN	00190701
Age	51
Date of first Appointment on Board	August 9, 2001
Qualification	Bachelor's Degree in Engineering in Chemical Branch from University of Pune, India and a Master's of Science in Chemical Engineering from the University of Toledo, USA
Experience	Over 22 years of experience
Terms and Conditions of appointment or re-appointment along with remuneration (including perquisites excluding Bonus/ performance linked incentive)	Re-appointed as Managing Director of the Company w.e.f. February 1, 2022 to January 31, 2027, liable to retire by rotation. Last Remuneration Drawn ₹ 38.35 mn (including provision of arrears of gratuity ₹ 19.45 Mn)
The last drawn remuneration (excluding Bonus/performance linked incentive)	₹ 18.90 mn
Shareholding of the Director(s)	5200000
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Nil
The Number of Meetings of the Board attended during the financial year	3



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Other Directorships as on date(in Public Limited Companies)	Nil
Memberships/Chairmanship of Committees	Prasol Chemicals Limited : • Stakeholder Relationship Committee – Member • Corporate Social Responsibility Committee – Member • Risk Management Committee – Member • Sustainability Committee - Member • IPO Committee – Member • Administrative Committee - Member

j) Detailed Reason for Resignation of an Independent Director who resigns before expiry of his/her tenure along with a confirmation by such Director that there are no other material reasons other than those provided

Mr. Ajay Jain, Independent Director (DIN 02815416) has resigned from the Directorship before the expiry of his first term of office that is with effect from April 1, 2024.

3. Committees of the Board of Directors

I. Audit Committee

a) Brief Description of Terms of Reference

1. To oversee the financial reporting process;
2. To review financial results and related information and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
3. To approve or modify any related party transactions, to review internal financial controls and risk management system;
4. To formulate policy on related party transactions, which shall include materiality of related party transactions;
5. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. To recommend appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
7. To review and evaluate with the management performance of statutory and internal auditors, effectiveness of audit process and adequacy of the internal control systems;
8. To review and monitor the statutory auditor's independence and performance, and effectiveness of audit process;
9. Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;
10. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act as amended from time to time;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;



- (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; and
 - (vii) Modified opinion(s) in the draft audit report.
11. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 12. 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
 13. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
 14. To set out criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
 15. Scrutinising of inter-corporate loans and investments;
 16. Valuation of undertakings or assets of the Company, wherever it is necessary;
 17. Evaluation of internal financial controls and risk management systems;
 18. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
 19. 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;
 20. Discussing with internal auditors on any significant findings and follow up thereon;
 21. 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;
 22. Discussing 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;
 23. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 24. Reviewing the functioning of the whistle blower mechanism;
 25. Approving the appointment of the Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
 26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or by any other regulatory authority.



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27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.
28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
29. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
30. Approving the key performance indicators for disclosure in the offer documents.
31. To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.
32. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

b) Composition, Name of Members and Chairman

The Audit Committee was re-constituted by the Board at its meeting held on December 18, 2024 and February 21, 2025, the re-constituted Audit Committee comprises of following members:

Name of Director	Designation in the Committee	Category
Mr. Srinivasan S.	Chairman	Independent Director
Mr. G. Ramakrishnan	Member	Independent Director
*Prof.(Ms) Lakshmi Kantam M.	Member	Independent Director
**Mr. Ajay Jain	Member	Independent Director

*** Prof. (Ms) Lakshmi Kantam M. – Member of Audit Committee till December 31, 2024.**

****Mr. Ajay Jain – Member of Audit Committee w.e.f. January 1, 2025**

c) Meeting and Attendance during the year

The Audit Committee met four (4) times during the year and the following table gives the details of members and their attendance in Audit Committee meetings held during the year ended March 31, 2024.

Name of Director	July 12, 2024	September 18, 2024	December 18, 2024	February 21, 2025
Mr. Srinivasan S.	1	1	1	1
Mr. G. Ramakrishnan	1	1	1	1
*Prof.(Ms) Lakshmi Kantam M.	1	1	1	-
**Mr. Ajay Jain	-	-	-	1

*** Prof. (Ms) Lakshmi Kantam M. – Member of Audit Committee till December 31, 2024.**

****Mr. Ajay Jain – Member of Audit Committee w.e.f. January 1, 2025**

**II. Nomination & Remuneration Committee (NR Committee)****a) Brief Description of Terms of Reference**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors of the Company (**Board or Board of Directors**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**Remuneration Policy**);
2. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
 - a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. 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.
3. formulation of criteria for evaluation of performance of independent directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment, promotion and removal and shall specify the manner for effective evaluation of performance of the Board (including the Independent Directors), its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;
6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
8. extending or continuing the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
9. evaluation and recommendation of termination of appointment of Directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;
11. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
12. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;



13. perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
 - administering the employee stock option plans of the Company, as may required;
 - determining the eligibility of employees to participate under the employee stock option plans of the Company;
 - granting options to eligible employees and determining the date of grant;
 - determining the number of options to be granted to an employee;
 - determining the exercise price under the employee stock option plans of the Company; and
 - construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.
14. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
15. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
 - i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
16. carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;
17. performing such other functions as may be necessary or appropriate for the performance of its duties;
18. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
19. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;
20. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;
21. developing a succession plan for our Board and senior management and regularly reviewing the plan;
22. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
23. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and
24. perform such other activities as may be delegated by the Board or specified/ provided under the Act to the extent notified and effective, as amended or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

**b) Composition, Name of Members and Chairman**

The Nomination & Remuneration Committee was re-constituted by the Board at its meeting held on December 18, 2024 and February 21, 2025, the re-constituted Nomination & Remuneration Committee comprises of following members:

Name of Director	Designation in the Committee	Category
Mr. G. Ramakrishnan	Chairman	Independent Director
Mr. Srinivasan S.	Member	Independent Director
*Prof.(Ms) Lakshmi Kantam M.	Member	Independent Director
**Mr. Ajay Jain	Member	Independent Director

* Prof. (Ms) Lakshmi Kantam M. – Member of Nomination and Remuneration Committee till December 31, 2024.

**Mr. Ajay Jain – Member of Nomination and Remuneration Committee w.e.f. January 1, 2025

c) Meeting and Attendance during the year

The Nomination and Remuneration Committee met twice during the year and the following table gives the details of members and their attendance in Nomination and Remuneration Committee meetings held during the year ended March 31, 2025.

Name of Director	July 12, 2024	February 21, 2025
Mr. G. Ramakrishnan	1	1
Mr. Srinivasan S.	1	1
*Prof.(Ms) Lakshmi Kantam M.	1	-
**Mr. Ajay Jain	-	1

* Prof. (Ms) Lakshmi Kantam M. – Member of Nomination and Remuneration Committee till December 31, 2024.

**Mr. Ajay Jain – Member of Nomination and Remuneration Committee w.e.f. January 1, 2025

d) Remuneration of Directors**i. Details of Remuneration Paid to the Directors**

Remuneration paid to the Executive Directors in the financial year 2024 -25: (₹ in million)

Name and Designation	Nishith Shah - Chairman & Whole-time Director	Gaurang Parikh - Managing Director	Dhaval Parikh -Joint Managing Director	Pankil Dharia - Whole Time Director – Strategy & Business Development
Salary	25.84	18.27	13.82	8.34
Commission	-	-	-	-
Perquisites	0.03	0.03	0.03	0.04
Performance Linked Incentive	-	-	-	0.43
Bonus	0.86	0.61	0.46	0.28
Provision for Gratuity	34.99	19.45	11.31	5.35



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- ii. The company has not issued any Stock Options either to its Directors or to its Employees.
- iii. Sitting fees paid to Independent Directors in the financial year 2024 -25: (₹ in million)

Sr. No.	Name of the Directors	Sitting fees paid
1	Mr. G. Ramakrishnan	0.34
2	Mr. Srinivasan S.	0.34
3	Mr. Ajay Jain	0.12
4	Prof.(Ms) Lakshmi Kantam M.	0.31

* Mr. Ajay Jain (DIN 02815416) was appointed as Non-Executive Independent Director of the Company with effect from December 18, 2024

- iv. Criteria for making payments to non-executive Directors

The Company has formulated and adopted criteria for making payments to Non-Executive Directors, available at the Company's website at www.prasolchem.com

- v. Performance Evaluation criteria of Independent Director

The Company has formulated and adopted a policy on evaluation of performance of Directors and the Board/Committee, which covers the criteria for evaluating the performance of Independent Director.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors (excluding the Director being evaluated) on the basis of criteria such as leadership, professional skill, compliance with code of conduct, initiative in terms of new ideas, planning etc.

III. Stakeholder Relationship Committee (SR Committee)

a) Brief Description of Terms of Reference

- considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;
- resolving the grievances of the security holders of the Company including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report, balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- review of measures taken for effective exercise of voting rights by shareholders;
- investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- giving effect to all allotment, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Act or SEBI Listing Regulations, or by any other regulatory authority.

**b) Composition, Name of member and Chairman**

The Stakeholder Relationship Committee was constituted by the Board at its meeting held on December 18, 2024 and re-constituted on February 21, 2025, the re-constituted Stakeholder Relationship Committee comprises of following members:

Name of Director	Designation in the Committee	Category
Mr. Ajay Jain	Chairman	Independent Director
Mr. Nishith Shah	Member	Executive Director
Mr. Gaurang Parikh	Member	Executive Director

* Mr. Ajay Jain (DIN 02815416) was appointed as Independent Director of the Company with effect from December 18, 2024 and member of the SR Committee since then.

c) Meeting and Attendance during the year

The Stakeholder Relationship Committee did not met during the year ended March 31, 2025

d) Status of complaints received from the investors during the year is as follows:

Particulars of Complaints	Complaints No.
Complaints as on April 1, 2024	0
Complaints received during the FY 2024-25	0
Complaints disposed during the FY 2024-25	0
Complaints Outstanding/unsolved as on March 31, 2025	0
Complaints Outstanding/not solved to the satisfaction of shareholder	0

e) Name and Designation of Compliance Officer

Ms. Kiran Agrawal, Company Secretary is the Compliance Officer of the Company.

IV. Corporate Social Responsibility Committee ("CSR Committee")**a) Brief Description of Terms of Reference**

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, are as follows:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (Companies Act), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. to review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
4. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
5. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;



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6. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
7. assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;
8. providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
9. providing updates to Board at regular intervals of six months on the corporate social responsibility activities;
10. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
11. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

b) Composition, Name of the Members and Chairman

The CSR Committee was constituted/re-constituted by the Board at its meeting held on February 21, 2025, the re-constituted CSR Committee comprises of following members:

Name of Director	Designation in the Committee	Category
Prof.(Ms.) Lakshmi Kantam M.	Chairperson	Independent Director
Mr. Nishith Shah	Member	Executive Director
Mr. Gaurang Parikh	Member	Executive Director

c) Meeting and Attendance during the year

The Corporate Social Responsibility Committee met once during the year and the following table gives the details of members and their attendance in Corporate Social Responsibility Committee meeting held during the year ended March 31, 2025.

Name of Director	July 12, 2024
Prof.(Ms.) Lakshmi Kantam M.	1
Mr. Nishith Shah	1
Mr. Gaurang Parikh	1

V. Risk Management Committee

a) Brief Description of Terms of Reference

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:
 - i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - iii. Business continuity plan.



2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification thereof, as necessary;
4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
6. To implement and monitor policies and/or processes for ensuring cyber security;
7. To consider the effectiveness of decision making process in crisis and emergency situations;
8. To generally, assist the Board in the execution of its responsibility for the governance of risk;
9. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;
10. To review and recommend potential risk involved in any new business plans and processes;
11. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
12. Monitor and review regular updates on business continuity;
13. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
14. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
15. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
16. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act as amended, or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

b) Composition, Name of Members and Chairman

The Risk Management Committee was constituted by the Board at its meeting held on December 18, 2024 and re-constituted on February 21, 2025, the re-constituted Risk Management Committee comprises of following members :

Name of Director	Designation in the Committee	Category
Mr. Nishith Shah	Chairman	Executive Director
Mr. Gaurang Parikh	Member	Executive Director
Mr. G. Ramakrishnan	Member	Independent Director

c) Meeting and attendance during the year

The Risk Management Committee did not met during the year ended March 31, 2025.

**VI. Sustainability Committee****A. Brief Description of Terms of Reference**

- Approve, note & ratify the ESG goals, targets and strategy and monitor performance thereof including the ESG initiatives to ensure long-term value creation for the stakeholders.
- Overview of material ESG risks (including Climate change risk) and opportunities, approach to mitigate or adapt to the risks along with financial implications of the same.
- Periodically review the ESG initiatives in the areas of (i) environment including energy consumption, de-carbonization plan and increased sourcing of renewable energy, water management, waste management, other climate related issues, science based targets etc., (ii) Social including Stakeholder engagement and materiality assessment, ESG risk (including human rights) mapping in supply chain etc. and (iii) Governance including business ethics, Anticompetitive practices, privacy and information security, transparency, accounting and core Corporate Governance practices.
- Review and approve the Charter of ESG of the Company.
- Review the working of ESG and Sustainability Team specific to ESG goals, targets & strategy as approved by ESG Committee.
- Review of ESG reporting in line with various national and global sustainability/ ESG indices and guidelines.
- Review and noting of the Business Responsibility and Sustainability Report or any other similar report.
- Do all acts, deeds & things incidental and deemed necessary for achievement of ESG goals, targets and strategy of the Company

a. Composition, Name of Members and Chairman

The Sustainability Committee was constituted by the Board at its meeting held on September 18, 2024, comprises of following members:

Name of Director	Designation in the Committee	Category
Mr. Dhaval Parikh	Chairman	Executive Director
Mr. Nishith Shah	Member	Executive Director
Mr. Gaurang Parikh	Member	Executive Director

b. Meeting and Attendance during the year

The Sustainability Committee met once during the year and the following table gives the details of members and their attendance in Sustainability Committee meeting held during the year ended March 31, 2025.

Name of Director	September 18, 2024
Mr. Dhaval Parikh	1
Mr. Nishith Shah	1
Mr. Gaurang Parikh	1



VII. IPO Committee

A. Brief Description of Terms of Reference

1. to decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead manager appointed in relation to the Offer (**BRLM**);
2. to decide in consultation with the BRLM the actual size of the Offer and taking on record the number of Equity Shares, and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer and all the terms and conditions of the Offer, including without limitation timing, opening and closing dates of the Offer, price band, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
3. to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, sponsor banks, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Offer and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and Offer agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
4. to make any alteration, addition or variation in relation to the Offer, in consultation with the BRLM or the Securities and Exchange Board of India (**SEBI**) or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Offer structure and the exact component of issue of Equity Shares;
5. To authorize the maintenance of a register of holders of the Equity Shares;
6. to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (**DRHP**), the red herring prospectus (**RHP**), the prospectus (**Prospectus**), the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, SEBI, respective stock exchanges where the Equity Shares are proposed to be listed (**Stock Exchanges**), the Registrar of Companies, Maharashtra at Mumbai (**RoC**), institutions or bodies and take all such actions in consultation with the **BRLM** as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;
7. to invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
8. to take all actions as may be necessary and authorised in connection with the Offer for Sale and to approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;
9. to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**SEBI ICDR Regulations**), Companies Act, 2013, as amended and other applicable laws;



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10. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
11. to open separate escrow accounts as the escrow account to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Offer and in respect of which a refund, if any will be made;
12. to open account with the bankers to the Offer to receive application monies in relation to the Offer in terms of Section 40(3) of the Companies Act, 2013, as amended;
13. To approve the relevant restated consolidated financial statements to be issued in connection with the Offer;
14. to do all such deeds and acts as may be required to dematerialize the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited and the National Securities Depository Limited, registrar and transfer agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents;
15. to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case any Selling Shareholder(s) decides to revise it, in accordance with the Applicable Laws;
16. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the Offer agreement, syndicate agreement, cash escrow and sponsor bank agreement, share escrow agreement, underwriting agreement, agreements with the registrar to the Offer, monitoring agency the advertising agency(ies), and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, monitoring agency, legal counsel, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
17. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, SEBI, the Reserve Bank of India (RBI), RoC and such other statutory and governmental authorities in connection with the Offer, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the prospectus;
18. to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
19. to determine and finalize, in consultation with the BRLM, the price band for the Offer and minimum bid lot for the purpose of bidding, any revision to the price band and the final Offer price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Offer, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;



20. to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
21. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges;
22. to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer in accordance with the applicable laws;
23. to negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including DRHP, RHP and Prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the Selling Shareholders (as maybe applicable), as the case may be, in relation to the Offer;
24. to determine the price at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
25. to approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;
26. to settle all questions, difficulties or doubts that may arise in relation to the Offer, as it may in its absolute discretion deem fit;
27. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Offer;
28. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Offer;
29. to withdraw the DRHP, updated DRHP, or RHP or to decide not to proceed with the Offer at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;
30. to determine the utilization of proceeds of the Offer, if applicable and accept and appropriate proceeds of such Offer in accordance with the applicable laws;
31. to authorize any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer or provide clarifications to the SEBI, ROC and the Stock Exchange(s) where the Equity Shares are to be listed;
32. all actions as may be necessary in connection with the Offer, including extending the bid/ Offer period, revision of the price band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it in accordance with the applicable laws;
33. to authorize the affixation of the common seal of the Company on such documents in this



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connection as may be required in accordance with the provisions of the Articles of Association of the Company and applicable laws; and

34. to authorize and empower officers of the Company (each, an **Authorized Officer(s)**), for and on behalf of the Company, to execute and deliver, on a several basis, any declarations, affidavits, certificates, consents, agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchanges, the registrar's agreement and memorandum of understanding, the depositories' agreements, the Offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, monitoring agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

B. Composition, Name of the Members and Chairman

The IPO Committee was constituted by the Board at its meeting held on February 24, 2022 and re-constituted on February 21, 2025, the re-constituted IPO Committee comprises of following members:

Name of Director	Designation in the Committee	Category
Mr. Nishith Shah	Chairman	Executive Director
Mr. Gaurang Parikh	Member	Executive Director
Mr. Dhaval Parikh	Member	Executive Director
Mr. Pankil Dharia	Member	Executive Director

C. Meeting and Attendance during the year

The IPO Committee did not met during the year ended March 31, 2025.

VIII. Administrative Committee

a) Brief Description of Terms of Reference

- to borrow money upto ₹700 crores as approved by the shareholders at the General Meeting (Section 180(1)(c) of the Companies Act, 2013 and /or rules made thereunder);
- to create charge on the moveable/immovable properties and / or assets of the companies (both present and future) to the extent of amount borrowed (Section 180(1)(a) of the Companies Act 2013 and/ or rules made thereunder);
- to make investment/grant loan/give guarantee/provide security in connection with the loans (fund based/non-fund based) made etc. up to the limits as approved by the shareholders at the General Meeting upto ₹600 crores (section 186 of the Companies Act, 2013 and / or rules made thereunder);



- (d) to grant loans (including loan to employees) and / or give guarantee and / or provide security to subsidiaries/associates/any other person as per section 185 of the Companies Act, 2013 up to ₹100 crores as approved by the shareholders at the general meeting on April 22, 2024 (Section 185 of the Companies Act, 2013 &/or rules made thereunder);
- (e) to identify and acquire property (movable and immovable) and appoint and/or authorize consultancy firm or legal practitioner for smooth completion of acquisition transactions;
- (f) to open, modify and / or close bank account of the company and / or to obtain corporate card/ credit cards for Directors/Sr. employees;
- (g) to deploy surplus funds of the company in mutual funds/Fixed Deposits;
- (h) to issue Bank guarantee(s) /bonds and/or indemnities in favour of banks concerning the issue of letters or credit or other financial instruments or facilities upto ₹500 crores;
- (i) To authorize Capex Expenditure upto ₹550 crores;
- (j) Avail/authorize for Internet viewing facilities from banks and / or authorisation for internet transaction and other routine banking matters;
- (k) Issuance of power of attorney;
- (l) all General Administrative matters for the smooth functioning of the Company;
- (m) any other matters not statutorily requiring Board approval under Companies Act 2013.

b) Composition, Name of the Members and Chairman

The Administrative Committee was constituted/re-constituted by the Board at its meeting held on December 18, 2024, the constituted/re-constituted Administrative Committee comprises of following members:

Name of Director	Designation in the Committee	Category
Mr. Nishith Shah	Chairman	Executive Director
Mr. Gaurang Parikh	Member	Executive Director
Mr. Dhaval Parikh	Member	Executive Director
Mr. Pankil Dharia	Member	Executive Director

c) Meeting and Attendance during the year

The Administrative Committee met six times during the year and the following table gives the details of members and their attendance in Administrative Committee meeting held during the year ended March 31, 2025.

Name of Director	April 20, 2024	June 13, 2024	August 02, 2024	November 30, 2024	February 7, 2025	March 12, 2025
Mr. Nishith Shah	1	1	1	1	1	1
Mr. Gaurang Parikh	1	1	1	1	-	-
Mr. Dhaval Parikh	1	1	1	1	1	1
Mr. Pankil Dharia	1	1	1	-	1	1



4. General Body Meetings

- a) **Details of last 3 (Three) Annual General Meetings and whether any Special Resolutions were passed in those three Annual General Meeting are given below:**

Financial Year	Date	Time	Location	Special Resolution(s)
2023-24	September 18, 2024	04:00 p.m.	Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710	#Pls refer foot note for which Special Resolutions(s) were passed
2022-23	September 15, 2023	04:00 p.m.	Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710	Nil
2021-22	September 27, 2022	04:30 p.m.	Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710	Nil

Special Resolutions(s) :

- # To approve and ratify remuneration paid to Mr. Nishith Shah, Chairman and Whole-time Director (DIN: 00381267) for the period from April 1, 2023 to March 31, 2024
- # To approve payment of minimum remuneration to Mr. Nishith Shah, Chairman and Whole-time Director (DIN: 00381267) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027
- # To approve payment of minimum remuneration to Mr. Gaurang Parikh, Managing Director (DIN: 00190701) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027
- # To approve payment of minimum remuneration to Mr. Dhaval Parikh, Joint Managing Director (DIN: 01636199) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027
- # To approve payment of minimum remuneration to Mr. Pankil Dharia , Whole-time Director – Strategy & Business Development (DIN: 03309485) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027
- # To increase the overall limit of maximum remuneration payable to all the Directors and Manager and ratify individual limit and overall limit of remuneration for the financial year 2023-24.
- # To ratify and approve overall managerial Remuneration paid in the financial year 2022-23

b) **Details of Extraordinary General Meetings given below:**

During the year under review Company has convened the Extra-Ordinary General Meeting(s) on April 22, 2024 and Special Resolution was passed for giving loan or guarantee or providing security in connection with loan availed by any of the Company's subsidiary(ies) or any other person specified under section 185 of the Companies Act, 2013.

5. Means of Communication

- Annual reports, notice of the meetings and other communications to the members were sent through email and / or post.
- The Company's website www.prasolchem.com has a separate section for investors where shareholders information is available.



- Provisions relating to publication of quarterly results, newspaper publication were not applicable to the Company for the financial year under review.
- During the year under review and till adoption of this report, no presentation(s) were made either to the Institutional Investors or to the analysts.
- The Company also has a separate email id investorservices@prasolchem.com for investor grievances.

6. General Shareholders Information

a) Annual General Meeting - Date, Time and Venue

The 33rd Annual General Meeting (AGM) is scheduled to be held on Wednesday, September 17, 2025 at 3:30 P.M. at the Registered Office of the Company at Prasol House, Plot No. A-17/2/3, T.T.C. Industrial Area, Khairne MIDC, Navi Mumbai, Thane – 400 710.

b) Financial Year

The Financial year of the Company is from April to March.

c) Payment of Dividend

The Board of Directors has recommended dividend @15% for the Financial Year ended March 31, 2025. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 17.40 mn.

d) Listing of Stock Exchange

Your Company is not listed with the Securities and Exchange Board of India (SEBI), however, has adopted various policies voluntarily.

e) BSE Stock Code: N.A.

f) Stock market price data for the year 2024-25: N.A.

g) Performance in comparison: N.A.

h) Registrar and Share Transfer Agents

Address of Registrar and Share Transfer Agent is as follows:

KFin Technologies Limited

(formerly known as KFin Technologies Private Limited)

Selenium Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda, Hyderabad – 500 032

Investor grievance email: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person: M. Murali Krishna

SEBI Registration No. INR000000221

P: +91 40 6716 1602 | 040 - 6830 1881

i) Share Transfer System

As on March 31, 2025, the Company has 78 (Seventy Eight) shareholders in aggregate and all the shares are held in dematerialized form.

Transfer of shares in demat form, is done by the depositories on receipt of appropriate Instruction Slip from the shareholder, without any involvement of the Company. However, SEBI has prohibited the transfer of shares in physical form effective from April 01, 2019. If any shareholder holding shares in physical form wishes to transfer the shares, he will have to dematerialize the shares and then transfer the shares in demat form.



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j) Distribution of shareholding as on March 31, 2025

Category		# Number of Share holders	% of Total Shareholders	No. of Shares	% of Total Shares
1	5000	10	12.82	15,100	0.03
5,001	10,000	2	02.56	6,515	0.01
10,001	20,000	14	17.95	98,524	0.17
20,001	30,000	4	5.13	48,730	0.08
30,001	40,000	2	2.56	40,000	0.07
40,001	50,000	2	2.56	48,340	0.08
50,001	1,00,000	3	3.85	1,46,375	0.25
Above 1,00,001		41	52.56	5,75,96,416	99.30
TOTAL		78	100	5,80,00,000	100

**Subject to the impact of rounding off to two decimal places*

No of shareholders is folio based

k) Shareholding pattern as on March 31, 2025

Sr.No.	Description	Cases	Shares	% Equity
1	BODIES CORPORATES	1	7,825	0.01
2	H U F	1	1,810	0.00
3	#NRN PROMOTERS	1	2,00,000	0.34
4	PROMOTER GROUP	33	2,79,74,310	48.23
5	PROMOTERS	10	2,37,80,000	41.00
6	RESIDENT INDIVIDUALS	32	60,36,055	10.41
	Total	78	5,80,00,000	100.00

** Subject to the impact of rounding off to two decimal places*

NRN:Non-Resident Promoters

@ Promoters – 9 (one of the Promoter holding two folios)

Total Promoters 10 (#NRN =1 ; @Promoters = 9)

l) Dematerialization of securities and liquidity

As on the date of this report, the company's shares are dematerialised with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

ISIN No. allotted to the Company's shares is **INE455U01024**

m) The Company does not have any outstanding Global Depository Receipts (GDR's) or American Depository Receipts (ADR's) or warrants or any convertible instruments as on date.

n) Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to Foreign exchange risk due to fluctuation in foreign exchange prices. The Company imports certain raw materials, the price of which is denominated in foreign currency viz. U.S. Dollars/Euro/Chinese Yuan. The Company also avail short term Foreign Currency Demand Loan in U.S. Dollars in lieu of short term INR loan if interest rate arbitrage are available at the time of availing the loan. The Company also exports its products, receivables of which are in foreign currency, which acts as a natural hedge against its imports/short term foreign currency loan. The Company also enters into forward contracts/foreign currency borrowing to manage its foreign currency exposures. The Company has in place a robust forex risk management framework and the reports for both import, short term foreign currency loan & export exposures in a prescribed formatted form on frequent intervals for identification, monitoring and mitigation of foreign exchange risks.



Moreover, the Company has subscribed to a software platform which is updated on frequent intervals to show the real time data with the risk showing the foreign currency exposures are at a gain or loss on real time basis enabling the Company to take appropriate actions to mitigate the foreign exchange fluctuation risks. Further the Senior Management regularly meets in order to assess, identify, monitor, and mitigate the foreign exchange fluctuation risks.

o) Plant locations

The Company's manufacturing Plant is located at:

Honad

Group Gram Panchayat (Honad): Survey No. 13, 14, 15, 16, 8, 25 & 75, Group Gram Panchayat Honad, Takai Adoshi Road, Taluka Khalapur, District Raigad, Maharashtra 410203 and

Dheku

Survey No. 146, 150, 151, 152, 154 & 74 Dheku Village, Takai Adoshi Road, Taluka Khalapur, District Raigad, Maharashtra 410203.

Mahad

Plot No. FS 30, Mahad Five Star MIDC, Amshet Village, Taluka Mahad, District Raigad, Maharashtra 402309

p) Address for correspondence

Prasol House, Plot No A - 17/2/3,
T.T.C. Industrial Area,
Khairne M.I.D.C.,
Navi Mumbai-400710
Maharashtra

7. Other Disclosures

a. Related party transactions

During the reporting period, all transaction entered by the Company with related parties were in the Ordinary course of business and at arms' length basis. There are no materially significant transactions with the related parties. Disclosure as required by the Accounting Standard has been made in the Annual Report.

b. Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements:

The Company has voluntarily complied with the necessary provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

c. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Chairman

Requisite disclosure(s) with reference to Vigil Mechanism/Whistle Blower Policy has been made in the Directors' Report.

d. Disclosure with respect to Subsidiaries

Disclosure with respect to subsidiary(ies) has been provided in AOC-1.

e. Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32 (7A)

During the year under review, the Company has not raised any funds through preferential allotment or qualified institutions placement.



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f. Directors on the Board of the company debarred or disqualified from being appointed or continuing as Directors of Companies

As on the reporting date, your Company is not listed, hence certificate has not been obtained from the Practicing Company Secretaries that none of the Directors on the Board of the Company have been disqualified or debarred from continuing or being appointed as Directors of companies by the Board or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

g. Recommendation of committee of the Board

During the year, Board has accepted the recommendation(s) of the Committees, if any.

h. Total fees paid to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part

(₹ in Million)

Auditor's remuneration comprises:	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
As Auditor	0.70	0.70
For Tax Audit	0.15	0.15
For Taxation matters	0.16	0.09
For certification and other services	0.01	0.26
Total	1.02	1.20

i. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

- Number of complaints filed during the Financial Year: Nil
- Number of complaints disposed of during the Financial Year: Nil
- Number of complaints pending as on end of the Financial Year: Nil

j. Modified opinion(s) in Audit Report

The Company's Financial Statements are issued with unmodified opinion. However, there are minor observations on the Company's Internal Financial Controls over financial reporting for which the Auditors have expressed modified opinion.

k. Reporting of Internal Auditor

The Internal Auditors will report directly to the Audit Committee.

l. Compliance of conditions of Corporate Governance

During the reporting period, Company has voluntarily complied with the requirement of compliance of Corporate Governance to the extent applicable and has been annexed which forms Part of this Report.

m. Equity Shares on Stock Exchange

As on the reporting date, the Company's equity shares are not listed on the Stock Exchanges namely BSE and NSE.

For and on behalf of Board
For Prasol Chemicals Limited
CIN U99999MH1992PLC065026

Nishith Shah
Chairman & Whole-time Director
DIN 00381267

Gaurang Parikh
Managing Director
DIN 00190701

Place: Navi Mumbai
Date: June 18, 2025



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MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY OVERVIEW

Your Company is among the leading forward integrated manufacturers of acetone derivatives and phosphorous derivatives in India. Your Company's products have end uses in segments namely pharmaceuticals, agrochemicals, home and personal care, performance chemicals and paint, ink, constructions and adhesive, mining and lubricants.

Since incorporation, we have significantly expanded our business and scale of operations and have grown from a small scale manufacturer to a large diversified specialty chemical player with a global footprint. We are a Government of India certified Three Star Export House Company with the global distribution network spread across 45 countries across Asia Pacific, Middle east, Africa, North and South America and the European Union.

Through our R&D efforts, we undertake collaborative product development with our customers which enable us to customize our products in line with customer expectations and consumer preferences, whilst simultaneously ensuring shorter lead – times. Several acetone and phosphorus derivatives are included in our product portfolio, which are used in the synthesis of agrochemical active ingredients (technical) and formulations (*Source: CRISIL Report*).

The Company is one of the leading manufacturers of specialty chemicals such as Diacetone Alcohol, Isophorone, Phosphorous Pentasulphide, Diethyl Thippophosphoryl Chloride etc.

OPERATIONAL AND FINANCIAL OVERVIEW

The Company's manufacturing Plants are located at Khopoli and Mahad and Registered Office at Navi Mumbai.

The Company has in-house laboratory to test raw materials procured and the products at various stages of the manufacturing process and for research and development of new product.

We have a track record of operations of around three decades and have a strong balance sheet with stable cash flows. We have experienced sustained growth in various financial indicators, including our revenue and PAT. We have also seen consistent improvement in our balance sheet position in the last three fiscals, wherein we have witnessed an increase in our net worth.

Comparison of Fiscal 2025 with Fiscal 2024

Income

Our total income increased by 14.42% to ₹10,155.87 Mn in Fiscal 2025 from ₹8,875.62 Mn in Fiscal 2024, primarily on account of the factors discussed below:

Revenue from operations

Our revenue from operations increased by 15.51% to ₹10,124.94 Mn in Fiscal 2025 from ₹8,765.65 Mn in Fiscal 2024 mainly due to higher net realization from revenue and increase in Sales in quantitative terms.

Other income

Our other income decreased by 71.88% to ₹30.93 Mn in Fiscal 2025 from ₹109.97 Mn in Fiscal 2024. Other Income in Fiscal 24 included gain from foreign exchange fluctuations and maturity of keyman insurance policy contributed to this decrease in Fiscal 2025.

Expenses

Our total expenses were ₹9,562.97 Mn in Fiscal 2025 i.e. 94.45% of Revenue from operations and ₹8,482.76 million in Fiscal 2024 i.e. 96.77% of Revenue from operations. The absolute increase was due to an increase in Employee related expenses and Loss in Foreign currency transaction in Fiscal 2025. However, there was decrease in Total Expenses percentage terms which was primarily due to increase in net sales realization in Fiscal 2025.

Cost of goods sold

Our cost of goods sold, which comprises inventories at the beginning of the year, purchase of raw materials, purchase of traded goods, purchase of packing materials and inventories at the end of the year, were ₹7,243.51 Mn for Fiscal 2025 as compared to ₹6,478.29 Mn for Fiscal 2024, which translated to decrease in percentage terms from 73.91% in Fiscal 2024 to 71.54% in Fiscal 2025. This decrease in percentage terms was primarily due to higher net Sales realization in Fiscal 2025.

**Employee Benefit Expense**

Our employee benefit expenses were 4.12% of Revenue from Operations for Fiscal 2025 which were higher as compared to 3.75% of Revenue from Operations for Fiscal 2024. This increase was primarily due to increase in head count and annual increase in salary cost.

EBIDTA**Finance Costs**

Our finance costs were 1.24% for Fiscal 2024 which was reduced to 0.81% for Fiscal 2025. This reduction was primarily due to improvement in working capital positions intermittently during Fiscal 2025.

Depreciation and Amortization Expense

Our depreciation and amortization expenses were ₹ 213.62 mn in Fiscal 2024 which increased to ₹ 232.76 mn in Fiscal 2025. This increase was primarily due to capitalization of new assets.

Other Expenses

Our other expenses which stood at ₹1353.66 mn for Fiscal 2024 Increased to ₹1,587.23 mn for Fiscal 2025, primarily due to Loss in foreign currency fluctuations transactions, increase in Consumption of Power and fuel and other Manufacturing expenses, freight outward on revenue, Commission on revenue and Expected Credit Loss allowance on receivables in Fiscal 2025.

Tax Expense

Our tax expenses increased from ₹153.78 mn in Fiscal 2024 to ₹157.17 mn in Fiscal 2025 primarily due to decrease in provision for Deferred Tax and Increase in Provision of Income Tax.

Profit for the Year

As a result of the above factors, our profit for the year increased from ₹181.43 Mn in Fiscal 2024 to ₹435.72Mn in Fiscal 2025.

Key Financial Ratios

The table below sets forth some of the key financial indicators for FY 2024-25 and FY 2023-24 on YoY basis:

Sr. no.	Ratio	Current Period	Previous Period
1	Current Ratio	1.34	1.19
2	Debt-Equity Ratio	0.27	0.25
3	Debt Service Coverage Ratio	1.54	1.23
4	Return on Equity Ratio	12.57%	5.71%
5	Inventory Turnover Ratio	5.75	5.62
6	Trade Receivables Turnover Ratio	5.66	5.34
7	Trade Payables Turnover Ratio	4.21	3.71
8	Net Capital Turnover Ratio	10.72	19.59
9	Net Profit Ratio	4.30%	2.07%
10	Return on Capital Employed	13.50%	10.09%

HUMAN RESOURCES

The Company believes that employees are the key assets of any organization and provides them with friendly competitive work environment to excel.

The number of employees as on March 31, 2025 were 621.



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INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place adequate internal financial controls during the reporting period. It has adopted necessary policies and procedures for ensuring the orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records.

The internal control system is supported by conducting continuous internal audit. The prime objective is to test the adequacy and effectiveness of all internal control systems laid down by the management and to suggest areas of improvements, if any.

The Company is in the process to further strengthen the Internal Control Processes as suggested by the Auditors in their report.

KEY RISK AND CONCERNS

Risk management is a holistic, integrated, structured and disciplined approach to managing risks with the objective of maximizing shareholder's value. It aligns strategy, processes, people & culture, technology and governance with the purpose of evaluating and managing the uncertainties faced by the organization while creating value. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities.

Company has formulated an appropriate policy and established a risk management framework, the objectives of which are:

- Embedding the management of risk as an integral part of the business processes;
- Establishing an effective system of risk identification, analysis, evaluation and treatment within all areas and levels of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems, including cyber security;
- Avoiding exposure to significant financial loss;
- Contributing to the achievement of the Company's objectives; and
- Accessing the benefits and cost of implementation of available options and controls to manage risk.
- War like situations in various parts of the world may also affect export to some extent, however, by diversification in the Company's business, it will have lesser impact on the performance of the Company.

The Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, commodity price risk which may adversely impact the fair value of its financial instruments.

Market Risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Market risk is the risk involving changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.



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Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Currency Risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative instruments, i.e. foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities. The Company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

SWOT ANALYSIS

Strengths

Leading manufacturer of acetone derivatives and phosphorous derivatives in India (Source: CRISIL Report). The Company's products have end uses in mainly four segments namely pharmaceuticals, agrochemicals, home & personal care and performance chemicals.

- Focus on research and development enabling diversified product portfolio and customized customer solutions.
- Strong global presence in 45 countries across Asia, North America and the European Union.
- Focus on long term sustainability through various environment friendly initiatives.
- Healthy and consistent financial track record with a strong financial position.
- Have diversified customer base globally coupled with long-standing relationships.
- Experienced & Qualified Promoters and Senior Management Team.

Weakness

- Our operations depend on the availability of Raw Material, Demand for our products and foreign currencies volatility and Recession uncertainty affecting exports.

Opportunities

- Per capita consumption of chemicals in India is lower vis-à-vis western countries. Hence, there is considerable scope for new investments.
- A large population, huge dependence of the domestic market on agriculture, and strong export demand.
- Shifting geopolitical landscape and global supply chain preference away from China.
- The domestic market has enormous growth potential, as GDP and purchasing power rise.

Threats

- Exposure to health, safety, security and environmental risks.
- Macro-economic conditions like government policies, currency fluctuations, and volatility in raw material prices.

FINANCIAL STATEMENT





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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRASOL CHEMICALS LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Prasol Chemicals Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act 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, 2025, the profit and 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 (SAs) 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 together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter

As stated in Note No. 14, the Company proposes to go in for an Initial Public Offer (IPO) and has incurred an expenditure of Rs. 3.27 Million in connection therewith. The same is included under Other Current Assets in Note No. 14. The Company proposes to charge the same to Securities Premium Account once the IPO process is completed.

Our report is not modified in respect of the above matter.

Information other than the Standalone Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Directors' report including its annexures but does not include the Standalone Financial Statements, Consolidated Financial Statements and our auditor's reports thereon.

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 in 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. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management or the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 the Management and the Board of Directors.
- Conclude on the appropriateness of Management's and the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our audit 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - (a) Except for our observations in Annexure B to this report, 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.



- (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”; Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with requisite approvals mandated by the provisions of section 197 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 financial statements – Refer Note No. 35 to the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - i. The Management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 51(i) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;
 - ii. The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note no. 51(ii) to the Financial Statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that we have 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) above contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of F.Y 2023-24 is in accordance with section 123 of the Act to the extent it applies to payment of dividend.



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As stated in Note no. 16 to the Standalone Financial Statements, 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 dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirement for record retention.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No: 101961W / W – 100036

Diwakar Sapre

Partner

Membership No. : 040740

UDIN: 25040740BMIGNC1847

Place: Mumbai

Date: June 18, 2025



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ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under “Report on other Legal and Regulatory requirements” in the Independent Auditor’s Report of even date to the members of PRASOL CHEMICALS LIMITED (“the Company”) on the Standalone Financial Statements for the year ended March 31, 2025)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in normal course of audit, we state that:

- (i) In respect of the Company’s 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.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company undertakes physical verification of Property, Plant and Equipment (including capital work-in-progress) once in three years, the last verification was done in FY 2023-24. In our opinion the frequency of verification is reasonable. In the absence of physical verification carried out during the year, the question of material discrepancies does not arise.
 - (c) All the title deeds, comprising all the immovable properties which are freehold (which have been lodged with banks, who have confirmed the same), are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use Assets) or Intangible assets during the year. Hence, reporting under clause 3(i)(d) of the Order is not applicable to the Company for the year under audit.
 - (e) As stated in note no. 52(a) the Company does not have any proceedings initiated or pending as at March 31, 2025 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The inventory (except goods in transit) has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. Considering the size of the Company and nature of its operations, the coverage and procedures are adequate. The discrepancies noticed on physical verification of inventory did not exceed 10% or more for each class of inventory and the same have been appropriately dealt with in the books of account. (also refer to our Report on the Internal Financial Controls in Annexure B to this report).
- (b) The Company has working capital limits sanctioned from banks exceeding Rs. 5 crores, on the basis of security of current assets. As disclosed in Note no. 20 of the Standalone Financial Statements, the quarterly returns / statements filed by the Company are broadly in agreement with the books of account and no material unreconciled discrepancies have been observed.
- (iii) (a) During the year, the Company has granted unsecured loans to employees and made investment in a Subsidiary. Apart from the above, the Company has not given any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties.



- A. During the year, the Company has made investment in a Subsidiary the details of which are mentioned below:

Particulars	Aggregate amount during the year (Rs. In Millions)	Balance outstanding as at March 31, 2025 (Rs. In Millions)
Investment in Subsidiary	0.49	0.00*

* The investment has been fully impaired .

- B. The Company has granted unsecured loans to its employees during the year as under:

Particulars	Loan to Employees
Aggregate amount granted/ provided during the year (Rs. in million)	3.05
Balance outstanding as at March 31, 2025 (Rs. in millions)	1.40

The Company has neither stood guarantee nor provided any security to any entity during the year.

- (b) In our opinion, terms and conditions of the grant of loans to employees are, prima facie, not prejudicial to the Company's interest.
- (c) The loans given to employees are interest free and repayable within a period of one year and the repayment of the same is regular.
- (d) In respect of the loans granted by the Company, there is no amount overdue for a period of more than ninety days.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of the loans granted and investments made during the year. The Company has not stood guarantee nor provided security to any party during the year;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable to the Company for the year under audit. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.
- (vi) We have broadly reviewed the books of account and records maintained by the Company, pursuant to the Order made by the Central government for the maintenance of Cost records under 148(1) of the Companies Act, 2013 and we are of the opinion that, prima facie prescribed accounts and records have generally been made and maintained.

We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees State Insurance Fund, Income Tax, Sales Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise,



Value Added Tax, Cess and other material statutory dues to the extent applicable to the Company, in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- (b) On the basis of our examination of records and according to the information and explanations given to us, the particulars of statutory dues that have not been deposited on account of any dispute are as under:

(Amount Rs. Million)

Name of statute	Nature of dues	Amount (Rs. million)	Period to which the amount related	Forum where the matter is pending
Customs Act	Customs duty	3.62	-	DRI Mumbai and Ahmedabad
Income Tax Act, 1961	Income tax	1.82	AY 2018 -19	Commissioner of Income Tax Appeals, Maharashtra

- (viii) As disclosed in Note no. 52(e), 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 Income Tax Act, 1961.
- (ix) On the basis of examination of records and according to the information and explanation given to us:
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) As disclosed in Note no. 52(f), the Company has not been declared a wilful defaulter by any bank or financial institution or other lenders during the year.
- (c) The term loans have been utilised for the purpose for which the loans were obtained.
- (d) The Company has not utilised funds raised on short-term basis for long-term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company for the year under audit.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, optionally convertible) during the year.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors Rules), 2014 with the Central Government during the year and up to the date of this report.
- (c) As represented by the Management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company for the year under audit.



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- (xiii) The Company is in compliance with sections 177 and 188 of Companies Act, 2013 with respect to applicable transactions with 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 nature of its business.
- (b) We have considered the internal audit reports for the period under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Hence, the provisions of section 192 of the Act are not applicable.
- (xvi) (a) The Company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934); Hence, reporting under clauses 3(xvi)(a), 3 (xvi)(b) and 3(xvi)(c) of the Order is not applicable to the Company for the year under audit.
- (b) In our opinion, there is no Core investment Company within the group [as defined in the Core Investment Companies (Reserve Bank) Directions, 2016]. Hence, reporting under clause 3 (xvi)(d) of the Order is not applicable to the Company for the year under audit.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company for the year under audit.
- (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, 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) The Company is required to spend Rs. 14.01 Millions towards Corporate Social Responsibility, out of which it has spent Rs. 13.31 Millions on other than ongoing projects. The balance unspent amount of Rs. 0.70 Millions in respect of other than ongoing projects has been transferred to a Fund specified in Schedule VII to the Companies Act, 2013.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W – 100036

Diwakar Sapre
Partner
Membership No.: 040740
UDIN: 25040470BMIGNC1847

Place: Mumbai
Date: June 18, 2025



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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Modified Opinion

We have audited the internal financial controls over financial reporting of **PRASOL CHEMICALS LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company needs to strengthen controls over maintenance of quantitative item-wise details and corresponding values of Inventory at year-end (including stages at which inventory is lying) and allocation of overheads.

Subject to the above, the Company has in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025; 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are 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 with reference to Financial Statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Standalone Financial Statements of the company 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 Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



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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 Standalone 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.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No: 101961W / W – 100036

Diwakar Sapre

Partner

Membership No.: 040740

UDIN: 25040470BMIGNC1847

Place: Mumbai

Date: June 18, 2025



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Standalone Balance Sheet as at March 31, 2025

(₹ in Millions)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	3,244.37	3,244.80
(b) Capital Work-in-Progress	3	212.17	216.65
(c) Other Intangible Assets	4	16.36	18.49
(d) Financial Assets			
(i) Investments	5	-	0.51
(ii) Other Financial Assets	6	24.40	16.13
(e) Other Non-Current Assets	7	2.36	9.97
(f) Other Tax Assets (Net)	8	1.41	1.86
Total non-current assets		3,501.07	3,508.41
Current Assets			
(a) Inventories	9	1,517.00	998.29
(b) Financial Assets			
(i) Trade Receivables	10	1,972.68	1,603.41
(ii) Cash and Cash Equivalents	11	166.51	99.65
(iii) Bank Balances other than (ii) above	12	0.74	0.73
(iv) Other Financial Assets	13	11.02	10.39
(c) Other Current Assets	14	61.85	42.81
Total Current Assets		3,729.80	2,755.28
TOTAL ASSETS		7,230.87	6,263.69
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	116.00	116.00
(b) Other Equity	16	3,558.70	3,142.47
Total Equity		3,674.70	3,258.47
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	435.81	428.37
(ia) Lease Liabilities		4.80	5.28
(b) Deferred Tax Liabilities (net)	18	254.49	257.58
(c) Provisions	19	75.56	6.18
Total Non-Current Liabilities		770.66	697.41
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	574.71	392.31
(ia) Lease Liabilities		0.48	0.48
(ii) Trade Payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises; and		30.33	15.00
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		1,938.35	1,697.61
(iii) Other Financial Liabilities	22	32.54	34.40
(b) Other Current Liabilities	23	171.65	143.95
(c) Provisions	24	11.79	9.41
(d) Current Tax Liabilities (Net)	25	25.66	14.65
Total Current Liabilities		2,785.51	2,307.81
Total Liabilities		3,556.17	3,005.22
TOTAL EQUITY AND LIABILITIES		7,230.87	6,263.69
Material Accounting Policies	1 & 2		

See accompanying Notes from 1 to 51 forming part of the Standalone Financial Statements

As per our attached report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
Prasol Chemicals Limited

Diwakar Sapre
Partner
Membership No. 040740

Nishith R. Shah
Chairman and Whole Time Director
DIN:00381267

Gaurang N. Parikh
Managing Director
DIN:00190701

Place: Navi Mumbai
Date: 18-06-2025

Rahul A. Shroff
Chief Financial Officer & Finance Director

Kiran Agrawal
Company Secretary

Place: Navi Mumbai
Date : 18-06-2025



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PRASOL CHEMICALS LIMITED

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(₹ in Millions)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
I. Revenue from Operations	26	10,124.94	8,765.65
II. Other Income	27	30.93	109.97
III. Total Income		10,155.87	8,875.62
IV. Expenses			
Cost of Materials Consumed	28	6,075.99	5,174.02
Purchase of Stock-in-Trade	29	1,343.12	1,364.94
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	30	(175.60)	(60.68)
Employee Benefits Expense	31	416.99	328.31
Finance Costs	32	82.48	108.89
Depreciation and Amortization Expense	33	232.76	213.62
Other Expenses	34	1,587.23	1,353.66
Total Expenses (IV)		9,562.97	8,482.76
V. Profit/ (Loss) Before Exceptional Items and Tax		592.90	392.86
VI. Exceptional Items (Refer Note 45)		-	57.64
VII. Profit Before Tax		592.90	335.22
VIII. Tax expense:			
1. Current Tax		154.32	80.23
2. Deferred Tax		(2.38)	73.41
3. Adjustment of Tax for Earlier Years		5.24	0.15
IX. Profit/ (Loss) for the Year		435.72	181.43
X. Other Comprehensive Income			
A. (i) Items that will not be reclassified to (profit)/ loss		2.79	3.04
(ii) Income tax related to items that will not be reclassified to profit or loss		(0.70)	0.76
XI. Total Comprehensive Income for the Year (Comprising Profit /(Loss) and Other Comprehensive Income for the Year)		433.63	183.71
XII. Earning per equity share			
1. Basic in ₹	40	7.51	3.13
2. Diluted in ₹		7.51	3.13
Material Accounting Policies	1 & 2		
See accompanying Notes from 1 to 51 forming part of the Standalone Financial Statements			

As per our attached report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
Prasol Chemicals Limited

Diwakar Sapre
Partner
Membership No. 040740

Nishith R. Shah
Chairman and Whole Time Director
DIN:00381267

Gaurang N. Parikh
Managing Director
DIN:00190701

Place: Navi Mumbai
Date: 18-06-2025

Rahul A. Shroff
Chief Financial Officer & Finance Director

Kiran Agrawal
Company Secretary

Place: Navi Mumbai
Date : 18-06-2025



PRASOL

PRASOL CHEMICALS LIMITED

CIN : U99999MH1992PLC065026

Corporate
OverviewStatutory
ReportsFinancial
StatementsAGM
Notice**Standalone Statement of Cash Flows for the year ended March 31, 2025**

(₹ in Millions)

Particulars	for the Year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	592.90	335.22
Adjustments for :		
Depreciation/ Amortisation	232.76	213.62
Loss/(profit) on Sale of Fixed Assets	0.34	14.93
Interest income	(0.49)	(12.10)
Finance Cost	72.02	100.15
Impairment of Investment	1.00	-
Remeasurement of net defined benefit plans	71.82	7.16
Net (gain) / loss on foreign exchange fluctuation	33.29	(63.36)
Expenses no longer payable written back	(3.99)	-
Provision for Doubtful Debts	14.56	1.14
Total Adjustments	421.32	261.55
Operating profit before working capital changes	1,014.22	596.77
Changes in working capital:		
(Increase)/ Decrease in trade receivables and Other receivables	(374.13)	74.08
(Increase)/ Decrease in inventories	(518.71)	322.45
(Increase)/ Decrease in other current financial assets	(29.03)	81.90
Increase/ (Decrease) in trade payables	256.09	88.27
Increase/ (Decrease) in other Financial liabilities	(2.35)	(23.60)
Increase/ (Decrease) in other current liabilities	27.69	64.46
Increase/ (Decrease) in other provisions	2.73	(1.31)
Cash generated from operations	376.50	1,203.02
Income taxes refunded / (paid), net	(152.94)	(46.83)
Net cash generated from operating activities	223.57	1,156.19
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(225.89)	(191.38)
Proceeds from sale of Property, Plant and Equipment	0.18	0.71
Investment in Subsidiary Company	(0.49)	(0.51)
Interest received	0.49	12.10
Net cash (used in) / generated from investing activities	(225.72)	(179.08)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt from Borrowing	22,090.56	20,451.11
Repayment of Borrowing	(21,900.72)	(21,486.74)
Finance costs paid	(70.15)	(98.11)
Final Dividend paid	(17.40)	(17.40)
Net cash used in financing activities	102.30	(1,151.14)
D. EXCHANGE RATE DIFFERENCE	(33.29)	63.36
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	66.86	(110.67)
Cash and cash equivalents at the beginning of the Year	99.65	210.32
Cash and cash equivalents at the end of the Year (Refer Note 11)	166.51	99.65

Notes to the statement of cash flows and disclosure of non cash transactions

- 1) The statement of cashflow is prepared in accordance with the format prescribed as per Ind-AS 7.
- 2) In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

As per our attached report of even date
For C N K & Associates LLP
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For and on behalf of the Board of Directors of
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Date: 18-06-2025

Rahul A. Shroff
Chief Financial Officer & Finance Director

Kiran Agrawal
Company Secretary

Place: Navi Mumbai
Date : 18-06-2025



Standalone Statement of Changes in Equity for the year ended March 31, 2025

A. (i) Equity Share Capital as at March 31, 2025: (₹ in Millions)

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	116.00	-	116.00	-	116.00

A. (ii) Equity Share Capital as at March 31, 2024: (₹ in Millions)

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	116.00	-	116.00	-	116.00

(Refer Note 15)

B. Other Equity

(i) Other Equity as at March 31, 2025: (₹ in Millions)

Particular	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings Including Other Comprehensive Income	
Balance at March 31, 2024	-	-	-	3,142.47	3,142.47
Profit for the period	-	-	-	435.72	435.72
Other Comprehensive Income	-	-	-	(2.09)	(2.09)
Final Dividend Paid for FY 23-24	-	-	-	(17.40)	(17.40)
Balance at March 31, 2025	-	-	-	3,558.70	3,558.70

B. (ii) Other Equity as at March 31, 2024: (₹ in Millions)

Particular	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings Including Other Comprehensive Income	
Balance at March 31, 2023	-	-	-	2,976.17	2,976.17
Profit for the year	-	-	-	181.43	181.43
Other Comprehensive Income	-	-	-	2.27	2.27
Final Dividend Paid for FY 22-23	-	-	-	(17.40)	(17.40)
Balance at March 31, 2024	-	-	-	3,142.47	3,142.47

Statement on Material Accounting Policies and Notes to the Standalone Financial Statement are an integral part of this Statement of Changes in Equity.

Refer Note 16 for nature and purpose of reserves

See accompanying Notes from 1 to 51 forming part of the Standalone Financial Statements

As per our attached report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
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Chief Financial Officer & Finance Director

Kiran Agrawal
Company Secretary

Place: Navi Mumbai
Date : 18-06-2025

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****1. Corporate Information**

Prasol Chemicals Limited (formerly known as Prasol Chemicals Private Limited) ("the Company") is a limited Company incorporated in India. It was originally incorporated as Prachi Poly Products Private Limited on January 24, 1992. It was converted to Prachi Poly Products Limited on January 10, 1995. The name was then changed to Prasol Chemicals Limited on March 26, 2007. Later, on June 5, 2017, the name was changed to Prasol Chemicals Private Limited and changed to Prasol Chemicals Limited with effect from February 4, 2022.

The registered office is located at Prasol House, Plot No. A - 17/2/3, T. T. C. Industrial Area, Khairane M.I.D.C., Navi Mumbai, Thane 400710, Maharashtra, India.

The Company is engaged in the Business of Manufacturing and Trading of Speciality Chemicals. The Company's operations are located at Khopoli and Mahad in the state of Maharashtra, India.

The Company has started process to expand operations at its land at Sayakha, Gujarat.

1.1 Basis of Preparation:

The Financial Statements comprise of the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement, Statement of Changes in Equity and Material Accounting Policies and other explanatory information.

The Financial Statements for the year ended March 31 2025 are prepared under Indian Accounting Standards (Ind-AS).

The Company's presentation and functional currency is Indian rupees. All amounts in these Financial Statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimals and have been presented in Millions.

Authorization of Financial Statements:

The Financial Statements for the year ended March 31, 2025 were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on June 18, 2025.

Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans where plan assets are measured at fair value.

Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, impairment of assets, current asset provisions, deferred tax, retirement benefits and provisions.

Information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets -Refer Notes 2.1 to 2.3 and Notes 3 and 4;
- Valuation of Inventories-Refer Notes 2.5 and 9;

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025**

- Measurement of Defined Benefit Obligations and actuarial assumptions-Refer Note 41;
- Estimation of current tax expenses and deferred tax - refer Note 39; and
- Provisions and Contingencies-refer Note 35.
- Fair Value of Financial Instruments – Refer Note 2.12

2. Material Accounting Policy Information**2.1 Property, Plant and Equipment****Recognition and measurement**

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment (PPE) are stated at cost, less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Derecognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its continued use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the the Statement of Profit & Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

Depreciation

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions /deductions, as the case may be.

When significant parts of PPE are required to be replaced at intervals, company depreciates them separately based on their specific useful lives.

2.2 Capital Work in Progress

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

2.3 Intangible Assets**Recognition and measurement**

Intangible asset consisting of computer software and product registrations are carried at cost, net of accumulated amortization and accumulated impairment losses, if any.

Derecognition

An Intangible Asset is derecognized upon its disposal or when no future economic benefits are expected from its continued use. Any gain or loss arising on de-recognition of the Intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the asset is derecognized.

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****Amortisation**

Intangible assets are amortised over a period of 5 years on Straight Line Method. The amortization method and estimated useful lives are reviewed at the end of each reporting period and changes if any are accounted in line with revisions to accounting estimates.

2.4 Impairment of Non-Financial Assets

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the Assets or Cash-Generating Units (CGU's) (i) fair value less costs of disposal and (ii) value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. 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 group of assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belong.

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.

Reversal of Impairment of assets

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

2.5 Inventories

Cost of Inventories includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebates and Discounts, if any. Net Realizable Value is the estimated selling price in the ordinary course of business.

Inventories other than Scrap are valued at lower of cost and net realizable Value.

2.6 Leases

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.

As a lessee**(A) Lease Liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised 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.

Subsequent measurement**(A) Lease Liability**

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

While being 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 under lying asset.

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****Impairment**

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.

Short term lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

The Company amortizes cost of the underlying asset over the contractual lease period.

2.7 Revenue

The Company recognises revenue when the same can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from sale of products:

Revenue from sale of products is recognised on satisfaction of performance obligations by the Company on transfer of control of ownership attached to the goods to customers. The revenue is measured at the amount of transaction price net of returns, freight, commission, applicable discounts and allowances offered by the Company as a part of the contract.

Revenue from contracts with customers:

Revenue from contracts with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services (assets) to the customers. The Company recognises revenue over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. Such contracts are generally accounted for as a single performance obligation as it involves integration of goods and services. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

Sales includes transport and other costs recovered separately from the customers.

Discounts, Rebates & Incentive to Customers:

The Company accounts for volume discounts, rebates and pricing incentives to customers based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discount, rebate or incentive. The Company also recognises the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentives and the future outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Company accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to company's inability to make reliable estimates based on the available data at reporting date.

Income from Export incentives

Income from export incentives such as Duty Drawback, RoDTEP etc, are recorded on accrual basis in accordance with the terms of the respective schemes.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

2.8 Foreign Currency Transactions**Monetary Items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation.

Non – Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.9 Provisions, Contingent Liabilities and Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

2.10 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants relating to Property Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

2.11 Fair Value measurement

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 takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025**

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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in The Financial Statements are categorised 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 recognised in The Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts, Interest Rate Swaps, Currency Options and embedded derivatives in the host contract.

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are carried at fair value. Fair value of Foreign Currency Forward Contracts are determined using the fair value reports provided by bank.

2.12 (a) Financial Assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

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 derecognized (i.e. removed from the Company's Balance Sheet) when

- The rights to receive cash flows from the asset have expired, or

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025**

- 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:
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured at fair value through other comprehensive income (FVTOCI).

In case of other assets (listed as above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

2.12(b) Financial Liabilities**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025**

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

2.13 Derivative financial instruments

The Company uses derivative financial instruments to manage exposure on account of fluctuation in interest rate and foreign exchange rates on amounts payable and receivable in foreign exchange. Such derivative financial instruments are not recognized in the financial statements. However, the difference between the rate at the end of the year to which the Financial Statements relate to and the rate at the time of maturity of the contract is recognized in Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken through Statement of Profit and Loss.

2.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The 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 the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability of at least 12 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 agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

2.15 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the construction or production of a qualifying asset are capitalised during the period of time that is required for the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.16 Employee benefits:**Short term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date.

Defined-contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

Defined-benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment cost. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Other long - term employment benefits

Liability towards other long term employee benefits such as leave encashment is determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognized in the Statement of Profit and Loss.

2.17 Taxes on Income**Current and Deferred Tax**

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.



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Notice**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****2.18 Earnings per share**

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Cash and Cash equivalents

For the purpose of presentation in Statement of Cash Flow, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

2.20 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21 Dividend

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.

Recent Amendments

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. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements. On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 3 : Property, plant and equipment

(₹ in Millions)

Particulars	Freehold land	Leasehold land	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Right to use assets	Total
Gross carrying Amount											
As at March 31, 2023	189.76	78.52	486.56	29.42	2,416.76	14.25	59.09	60.45	13.17	4.50	3,352.48
Additions	6.86	-	44.85	-	515.88	1.65	2.69	5.20	4.99	2.34	584.46
Deletions	5.40	-	-	-	23.26	0.27	0.68	1.35	0.79	-	31.75
As at March 31, 2024	191.22	78.52	531.41	29.42	2,909.38	15.63	61.09	64.30	17.38	6.84	3,905.19
Additions	-	2.97	10.82	-	203.22	1.16	0.01	2.22	6.92	-	227.32
Deletions	-	-	-	-	0.79	-	-	0.02	-	-	0.81
As at March 31, 2025	191.22	81.49	542.23	29.42	3,111.81	16.79	61.10	66.50	24.30	6.84	4,131.70
Accumulated Depreciation											
As at March 31, 2023	-	4.48	40.91	1.40	377.79	3.99	7.99	18.58	7.80	0.60	463.54
For the year	-	0.83	17.45	0.50	167.28	1.53	7.21	8.03	3.39	0.48	206.70
Deletions	-	-	-	-	7.68	0.16	0.57	0.80	0.63	-	9.85
As at March 31, 2024	-	5.30	58.37	1.90	537.38	5.36	14.63	25.81	10.56	1.08	660.39
For the year	-	0.84	18.03	0.50	186.42	1.62	7.12	8.70	3.52	0.48	227.23
Deletions	-	-	-	-	0.28	-	-	0.01	-	-	0.29
As at March 31, 2025	-	6.14	76.40	2.40	723.52	6.98	21.75	34.50	14.08	1.56	887.33
Net Carrying amount											
As at March 31, 2024	191.22	73.22	473.04	27.52	2,372.00	10.27	46.46	38.49	6.82	5.76	3,244.80
As at March 31, 2025	191.22	75.35	465.83	27.02	2,388.29	9.81	39.35	32.00	10.22	5.28	3,244.37

(i) All title deeds of immovable property are in the name of the Company.

(ii) The lease term in respect of assets acquired under finance leases and classified under Leasehold Land is within the range of 95 to 99 years.

(iii) For Assets pledged as a security against borrowings, Refer Notes 17 and 20.

(iv) Interest on borrowings have been capitalised ₹ 2.30 Mn (FY 2023-24: ₹ 10.23 Mn) .

(v) Salary Expenses have been capitalised ₹ 13.44 Mn (FY 2023-24 : ₹ 16.10 Mn).

(vi) The Company has not revalued any items of Property, Plant and Equipment during the current year or previous year.



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- (vii) The Company has adopted previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly the Company has set the Net block as per Previous GAAP as on 1st April, 2020 as the Gross Block under Ind AS. The accumulated depreciation so netted off as on April 01, 2020, is as below.

Particulars	Freehold land	Leasehold land	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Block	139.24	24.79	181.88	25.34	1,704.88	16.22	16.38	27.64	13.46	2,149.83
Add: Reclassification in Gross Block	-	37.74	-	-	-	-	-	-	-	37.74
Less: Accumulated depreciation	-	-	32.49	1.98	431.09	7.41	8.33	11.69	9.77	502.76
Less: Reclassification Accumulated depreciation	-	1.00	-	-	-	-	-	-	-	1.00
Less: Ind AS Adjustment	-	2.81	-	-	-	-	-	-	-	2.81
Net Block	139.24	58.72	149.38	23.36	1,273.79	8.81	8.05	15.95	3.69	1,680.99

(₹ in Millions)

3. Capital work in progress

(₹ in Millions)

Particulars	Amount
Gross carrying value	
As at March 31, 2023	596.94
Additions	193.86
Capitalised during the year	574.15
As at March 31, 2024	216.65
Additions	224.60
Capitalised during the year	229.08
As at March 31, 2025	212.17

- (i) Interest on borrowings have been capitalised ₹0.45 Mn (FY 2023-24: ₹ 4.51 Mn)
(ii) Salary Expenses have been capitalised ₹ 16.08 Mn (FY 2023-24: ₹ 7.34 Mn)
(iii) The Company has revalued items of Capital work in progress during the current year by ₹ 1.63 Mn (FY 2023-24: ₹ 0.74 Mn).



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(iv) Ageing Schedule for Capital-work-in progress for the year ended March 31,2025:

(₹ in Millions)

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	181.36	9.87	11.59	9.35	212.17

Ageing Schedule for Capital-work-in progress for the year ended March 31,2024:

(₹ in Millions)

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	167.21	29.11	11.41	8.92	216.65

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31,2025:

(₹ in Millions)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	1.39	2.30	0.32	4.01
Project 1	-	1.39	1.23	0.32	2.94
Project 2	-	-	1.07	-	1.07
Projects temporarily suspended	-	0.11	-	-	0.11
Project I	-	0.11	-	-	0.11

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31,2024:

(₹ in Millions)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	112.85	-	-	-	112.85
Project 1	20.88	-	-	-	20.88
Project 2	4.06	-	-	-	4.06
Project 3	2.94	-	-	-	2.94
Project 4	1.07	-	-	-	1.07
Project 5	83.90	-	-	-	83.90
Projects temporarily suspended	2.86	-	-	-	2.86
Project I	2.38	-	-	-	2.38
Project II	0.38	-	-	-	0.38
Project III	0.10	-	-	-	0.10



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Note 4 : Other Intangible assets

(₹ in Millions)

Particulars	Computer Software	Product Registration	Total Intangible Assets
Gross Carrying Amount			
As at March 31, 2023	7.23	35.33	42.56
Additions	-	4.10	4.10
Deletions	0.08	-	0.08
As at March 31, 2024	7.15	39.43	46.58
Additions	1.97	1.42	3.39
Deletions	-	-	-
As at March 31, 2025	9.12	40.85	49.97
Accumulated Depreciation			
As at March 31, 2023	5.26	15.90	21.16
For the year	0.27	6.65	6.92
As at March 31, 2024	5.53	22.55	28.08
For the period	0.28	5.25	5.53
As at March 31, 2025	5.81	27.80	33.61
Net Carrying amount			
As at March 31, 2024	1.61	16.88	18.49
As at March 31, 2025	3.31	13.05	16.36

- (i) There are no Intangible assets under development as on March 31, 2025 and March 31, 2024.
- (ii) The Company has not revalued any items of intangible assets during the current year or previous year.
- (iii) The Company has adopted previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly the Company has set the Net block as per Previous GAAP as on 1st April, 2020 as the Gross Block under Ind AS. The accumulated depreciation so netted off as on April 01, 2020, is as below :

(₹ in Millions)

Particulars	Other Intangible Assets
Gross Block	30.40
Less: Accumulated depreciation	9.22
Net Block	21.18

Note 5 : Investments

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
- Investment In Subsidiary Company	1.00	0.51
Less: Provision for Impairment	(1.00)	-
TOTAL	-	0.51

Note - Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"

Effective Proportion of ownership (%)

Name of Company and principal place of business	As at March 31, 2025	As at March 31, 2024
Prasol Aromatics Private Limited, Gujarat	100%	34%

6. Other Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good – Unsecured		
- Deposit with Banks*	0.54	0.58
- Security Deposits	23.86	15.55
TOTAL	24.40	16.13

**Includes Fixed Deposit of ₹ Nil Mn (FY 2023-24 : ₹ 0.58 Mn) held under lien with banks for the purpose of obtaining Bank Guarantee.



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 7 : Other Non-current Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances *	2.06	9.73
Prepaid Expenses	0.30	0.24
Total	2.36	9.97

Refer Note 36 for Capital Commitments.

Capital Advances Movement*

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances	11.26	9.73
Less : Provision	(9.20)	-
Total	2.06	9.73

Reconciliation/Movement of Provision:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	-	-
Add: Provision during the year	9.20	-
Provision at the end of the year	9.20	-

Note 8 : Other Tax Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Tax paid (Net of provisions for tax)	1.41	1.86
Total	1.41	1.86

Note 9 : Inventories

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value)		
Raw Materials	753.04	427.29
Finished Goods	379.40	261.11
Semi Finised Goods	133.57	110.61
Stock - in - Trade	149.56	115.21
Consumable, Stores and Spares	56.81	47.68
Others		
Packing Materials	18.87	17.60
Scrap Stock	-	0.09
Diesel , Steam Coal & Fuel	25.75	18.70
TOTAL	1,517.00	998.29

Footnote:

- The cost of inventories recognised as an expense during the year is ₹ 8.50 Mn (FY 2023-24: ₹ 2.59 Mn).
- For mode of valuation of inventories refer Note 2.5.
- Raw Materials stock includes Raw Material at Port ₹ 301.91 Mn (FY 2023-24: ₹ 163.53 Mn) and Raw Material in Transit of ₹ 49.40 Mn (FY 2023-24: ₹ 7.51 Mn).



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 10 :Trade Receivables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables – Considered Good Secured		
- From Related parties	-	-
- From Others	-	-
Trade receivables – Considered Good Unsecured		
- From Related parties	0.15	1.01
- From Others	1,965.30	1,604.49
Less : Expected Credit loss allowance	(0.98)	(2.09)
Trade Receivables – having significant increase in credit risk		
- From Related parties	-	-
- From Others	13.07	-
Less : Expected Credit loss allowance	(4.86)	-
Trade Receivables - Credit Impaired		
- From Others	1.12	-
Less : Expected Credit loss allowance	(1.12)	-
Total	1,972.68	1,603.41

Trade Receivables ageing schedule as at March 31, 2025

(₹ in Millions)

Particulars	Outstanding for following years from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,728.64	227.45	4.41	1.65	3.24	0.06	1,965.45
Less : Expected Credit loss allowance	-	-	(0.23)	(0.25)	(0.49)	(0.01)	(0.98)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	6.04	5.06	1.97	-	13.07
Less : Expected Credit loss allowance	-	-	(0.36)	(2.53)	(1.97)	-	(4.86)
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	1.12	-	1.12
Less : Expected Credit loss allowance	-	-	-	-	(1.12)	-	(1.12)



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Trade Receivables ageing schedule as at March 31, 2024

(₹ in Millions)

Particulars	Outstanding for following years from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,285.11	303.02	9.27	8.62	0.48	-	1,606.50
Less : Expected Credit loss allowance	-	-	(0.73)	(1.29)	(0.07)	-	(2.09)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less : Expected Credit loss allowance	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

(ii) Expected credit loss:

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Reconciliation of Credit loss allowance

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	2.09	0.95
Add: Allowance for expected credit loss during the year	4.87	1.14
Expected Credit Loss Allowance at the end of the year	6.96	2.09

Note 11 : Cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks in current accounts	166.15	99.59
Cash in hand	0.36	0.06
Cheques, drafts on hand	-	-
Bank Deposits with maturity less than 3 months	-	-
Total	166.51	99.65

Note 12 : Bank Balances other than cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank Deposits with original maturity more than 3 months but less than 12 months	0.04	0.03
Margin money deposits (restricted, held as lien against bank guarantees)*	0.70	0.70
Total	0.74	0.73



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*Includes Fixed Deposit of ₹ 0.70 Mn (March 31, 2024 : ₹ 0.70 Mn) held under lien with banks for the purpose of obtaining Bank Guarantee.

Note 13 : Other Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Derivative Financial Assets	-	1.17
Advance Recoverable in cash or in kind	1.41	1.34
Security Deposits	3.98	4.24
Others	5.63	3.64
Total	11.02	10.39

Note 14 : Other Current Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Governmental Authorities	23.91	22.15
Advance to Suppliers *	29.14	14.73
Prepaid Expenses	5.31	5.62
IPO Expenses**	3.27	-
Others	0.22	0.31
Total	61.85	42.81

** The Company has incurred IPO related expenses in connection to proposed filing of DRHP with SEBI.

Advance to Suppliers*

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to Suppliers	29.64	-
Less : Provision during the year	(0.50)	-
Total	29.14	-

Reconciliation/ Movement of Provision

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	-	-
Add: Provision during the year	0.50	-
Provision at the end of the year	0.50	-

Note 15 : Equity share capital

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised equity share capital 19,00,00,000 equity shares of ₹ 2 each (FY 2023-24: 19,00,00,000 equity shares of ₹ 2 each)	380.00	380.00
Total	380.00	380.00
Issued, subscribed and paid-up share capital 5,80,00,000 equity shares of ₹ 2 each (FY 2023-24: 5,80,00,000 Equity shares of ₹ 2 each)	116.00	116.00
Total	116.00	116.00



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(i) Movements in Equity Share Capital

(₹ in Millions)

Particulars	As at March 31, 2025	
	Number of shares	Amount
At the beginning of the year	5,80,00,000	116.00
Issued during the year	-	-
Increase in shares on account of subdivision	-	-
Bonus Shares issued during the year	-	-
Outstanding at the end of the year	5,80,00,000	116.00

(i) Movements in Equity Share Capital

(₹ in Millions)

Particulars	As at March 31, 2024	
	Number of shares	Amount
At the beginning of the year	5,80,00,000	116.00
Issued during the year	-	-
Increase in shares on account of subdivision	-	-
Bonus Shares issued during the year	-	-
Outstanding at the end of the year	5,80,00,000	116.00

(ii) Terms and rights attached to equity shares

1. The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

(iii) Shares held by holding Company /Ultimate Holding Company, their Subsidiaries and Associates: Nil

(iv) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2025	
	No. of shares	% held
Usha Rajnikant Shah	74,80,000	12.90%
Gaurang Natwarlal Parikh	52,00,000	8.97%
Nishith Rasiklal Dharia	49,80,000	8.59%
Dipti Nalin Parikh	42,00,000	7.24%
Sandhya Nishith Shah	40,20,000	6.93%
Bhisham Kumar Gupta	32,00,000	5.52%

Name of the Shareholder	As at March 31, 2024	
	No. of shares	% held
Usha Rajnikant Shah	74,80,000	12.90%
Gaurang Natwarlal Parikh	52,00,000	8.97%
Nishith Rasiklal Dharia	49,80,000	8.59%
Dipti Nalin Parikh	42,00,000	7.24%
Sandhya Nishith Shah	40,20,000	6.93%
Bhisham Kumar Gupta	32,00,000	5.52%



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- (a) No shares have been allotted as fully paid up pursuant to contract without payment being received in cash.
- (b) On January 18,2022, the Company issued Bonus shares in the ratio of 3:1. Accordingly 4,35,00,000 bonus shares were issued by capitalising its Free reserves of ₹ 87.00 Mn.
- (c) None of the shares are reserved for issue against contract / commitments for sale of shares or disinvestment.

(vi) Shares held by Promoters and Promoter group:

Sr. No.	Name	As at March 31,2025			As at March 31,2024		
		No. of Shares	% of holding	% of Change	No. of Shares	% of holding	% of Change
1	Nishith Rajnikant Shah	1,00,000	0.17%	0.00%	1,00,000	0.17%	0.00%
2	Gaurang Natwarlal Parikh	52,00,000	8.97%	0.00%	52,00,000	8.97%	0.00%
3	Dhaval Nalin Parikh	18,00,000	3.10%	0.00%	18,00,000	3.10%	0.00%
4	Pankil Nishith Dharia	20,000	0.03%	0.00%	20,000	0.03%	0.00%
5	Sachin Jatin Parikh	20,00,000	3.45%	0.00%	20,00,000	3.45%	0.00%
6	Rakesh Gupta	2,00,000	0.34%	0.00%	2,00,000	0.34%	0.00%
7	Nishith Rasiklal Dharia	49,80,000	8.59%	0.00%	49,80,000	8.59%	0.00%
8	Kunal Tushar Dharia	18,00,000	3.10%	0.00%	18,00,000	3.10%	0.00%
9	Suketu Navinchandra Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
10	Usha Rajnikant Shah	74,80,000	12.90%	0.00%	74,80,000	12.90%	0.00%
11	Dipti Nalin Parikh	42,00,000	7.24%	0.00%	42,00,000	7.24%	0.00%
12	Sandhya Nishith Shah	40,20,000	6.93%	0.00%	40,20,000	6.93%	0.00%
13	Bhisham Kumar Gupta	32,00,000	5.52%	0.00%	32,00,000	5.52%	0.00%
14	Tushar Natverlal Dharia	24,00,000	4.14%	0.00%	24,00,000	4.14%	0.00%
15	Sonal Nishith Dharia	20,79,000	3.58%	0.00%	20,79,000	3.58%	0.00%
16	Nihir Parikh	9,00,000	1.55%	(1.55%)	18,00,000	3.10%	0.00%
17	Chamak Jatin Parikh	13,00,000	2.24%	0.00%	13,00,000	2.24%	0.00%
18	Jatin Narendra Parikh	13,00,000	2.24%	0.00%	13,00,000	2.24%	0.00%
19	Tushar Natverlal Dharia HUF	12,00,000	2.07%	0.00%	12,00,000	2.07%	0.00%
20	Ami Tushar Dharia	10,00,000	1.72%	0.00%	10,00,000	1.72%	0.00%
21	Gaurang Natwarlal Parikh HUF	10,00,000	1.72%	0.00%	10,00,000	1.72%	0.00%
22	Veenu Gupta	10,00,000	1.72%	0.00%	10,00,000	1.72%	0.00%
23	Kinjal Pankil Dharia	8,00,000	1.38%	0.00%	8,00,000	1.38%	0.00%
24	Jignasha J Kantawala	6,00,000	1.03%	0.00%	6,00,000	1.03%	0.00%
25	Anvi Nishith Shah	5,00,000	0.86%	0.00%	5,00,000	0.86%	0.00%
26	Lina Suketu Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
27	Pushpa Navinchandra Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
28	Raksha Bhisham Gupta	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
29	Sheetal Sundeep Parikh*	-	NA	NA	4,00,000	0.69%	0.00%
30	Suhagi Dhaval Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
31	Sundeep Navinchandra Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
32	Janhavi Nihir Parikh*	-	NA	NA	2,00,000	0.34%	0.00%
33	Shruti Sachin Parikh	2,00,000	0.34%	0.00%	2,00,000	0.34%	0.00%
34	Tanvi Gaurang Parikh	2,00,000	0.34%	0.00%	2,00,000	0.34%	0.00%
35	Riddhi Mihir Kapadia	20,000	0.03%	0.00%	20,000	0.03%	0.00%
36	Sonal Nishith Dharia Family Trust	1,000	0.00%	0.00%	1,000	0.00%	0.00%
37	Mahesh Naranji Thakkar *	7,245	0.01%	NA	-	-	-
38	Asit Rasiklal Dharia *	7,245	0.01%	NA	-	-	-
39	Mira Ravitej Kapadia *	7,825	0.01%	NA	-	-	-
40	Uma Rajan Javeri *	24,170	0.04%	NA	-	-	-
41	Meghna B Gandhi *	7,825	0.01%	NA	-	-	-

* Not applicable mainly in inclusion/ exclusion of the party from the above group.



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Note 16 : Other Equity

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Reserves		
Retained Earnings Including Other Comprehensive Income		
Opening Balance	3,142.47	2,976.17
Add/(Less): Other Comprehensive Income (Remeasurement of defined benefit plan)	(2.09)	2.27
Add: Net Profit for the current year	435.72	181.43
Less: Capitalised on issue of Bonus shares	-	-
Less: Final Dividend	(17.40)	(17.40)
Closing Balance	3,558.70	3,142.47
Total	3,558.70	3,142.47

Nature and Purpose of Reserves

Retained Earnings Including Other Comprehensive Income

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and actuarial gains/ (losses) on employee benefit obligations.

Note on Dividend

For the year ended March 31, 2025 the Company had proposed Final Dividend to Equity Shareholders @ 15% of the face value per share i.e. ₹ 0.3 per share. The same is subject to the approval from the shareholders in the ensuing Annual General Meeting.

Note 17 : Long term borrowings

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<u>Secured</u>		
(a) Term loans		
(i) From banks	577.43	653.99
(ii) From Non Banking Financial Company (NBFC)	-	-
Less : Current Maturities of Long Term - Borrowings (Refer Note 20)	(141.62)	(225.62)
Total	435.81	428.37

(i) Terms of repayment of loans and Nature of security provided for each case separately,

(₹ in Millions)

Sr. No.	Term Loans from Bank	As at March 31, 2025	As at March 31, 2024
1	Term Loan from HDFC Bank, Terms of repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7 to 9.50% pa, date of start of 1st installment starting from Aug 20 and end with Apr 25, however, the same has been fully repaid during the year. Security: Exclusive charge by way of equitable mortgage over the land purchase out of the term loan at village Honad, Khopoli, Dist. Raigad First Charge on the Plant and Machinery at Khopoli funded by HDFC Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705	-	80.00



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(₹ in Millions)

Sr. No.	Term Loans from Bank	As at March 31, 2025	As at March 31, 2024
2	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7 to 9.50% pa, date of start of 1st installment starting from Mar 21 and end with Dec 25, however, the same has been fully repaid during the year. Security: First Charge on the Plant and Machinery at Mahad funded by HDFC Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309	-	35.00
3	Term Loan from Kotak Bank, Terms of repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00 % p.a. (Linked to RBI Repo rate + 2.10%), date of start of 1st installment starting from Jan 23 and end with Dec 27 Security: First charge on the plant and machinery situated at Khopoli funded by Kotak Mahindra Bank Ltd. Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705	82.50	112.50
4	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00% p.a. (Linked to RBI Repo rate + 2.15%), date of start of 1st installment starting from Jan 23 and end with Oct 27 Security: First Charge on the Plant and Machinery at Khopoli funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad. and Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705	74.80	102.00



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(₹ in Millions)

Sr. No.	Term Loans from Bank	As at March 31, 2025	As at March 31, 2024
5	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00% p.a. (Linked to RBI Repo rate + 2.15%), date of start of 1st installment starting from Jan 23 and end with Oct 27 Security: First charge on the plant and machinery situated at Mahad funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309	145.20	198.00
6	Term Loan from HDFC Bank, Terms of Repayment: Monthly in equal Installments payable over a period ranging from 4-5 Years, Rate in the range of 7.80% to 7.95% p.a. (linked to 3 month T bill + 0.95%), date of start of 1st installment starting from March 24 and end with Dec 27 Security: First Charge on the Plant and Machinery at Khopoli & Mahad funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309	94.87	126.49
7	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5-6 Years, Rate in the range of 8.50% p.a. (linked to Repo Rate + 2.25%), date of start of 1st installment starting from June '26 and end with March '31 Security: First Charge on the Plant and Machinery at Khopoli, Mahad & HO funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309*	180.06	-
Total Term Loan from Banks and others		577.43	653.99

* Charge under Deed of Hypothecation is not created against this loan (Refer Note 51 c)



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(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Tax effect of items constituting deferred tax liability		
Property Plant and Equipment	290.24	268.46
Derivative Financial Instruments	-	0.21
Tax effect of items constituting deferred tax liability	290.24	268.67
Tax effect of items constituting deferred tax assets		
Provision for employee benefits	(21.98)	(3.92)
Provision and expected credit loss	(4.19)	(0.53)
Derivative Financial Instruments	(1.79)	-
Disallowances	(7.79)	(6.64)
Tax effect of items constituting deferred tax assets	(35.75)	(11.09)
Total	254.49	257.58

Note 19 : Non-current Provisions

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits		
(i) Provision for Gratuity	68.37	-
(ii) Provision for Leave Encashment	7.19	6.18
Total	75.56	6.18

Note 20 : Current Borrowings

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<u>Secured</u>		
(a) Loans repayable on demand		
(i) From banks		
Cash Credit	13.59	33.24
Working Capital Demand Loan	419.50	133.45
Packing Credit	-	-
(b) Current maturities of long term borrowings	141.62	225.62
SUBTOTAL (A)	574.71	392.31
<u>UnSecured</u>		
(a) Loans repayable on demand		
(i) From banks	-	-
(ii) From related Parties	-	-
SUBTOTAL (B)	-	-
Total	574.71	392.31



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

(i) Details of Loans : Secured

(₹ in Millions)

Nature of Loans	As at March 31, 2025	As at March 31, 2024
Cash Credit, & Packing Credit, Security: First Pari Passu charge by way of hypothecation of stocks & book debts & further second Pari Passu charge on Fixed Assets of the Company pertaining to Khopoli Unit and Khairne, Navi Mumbai unit by hypothecation of movable machinery and creating mortgage by way of deposit of title deeds of lands & building.	13.59	33.24
Packing Credit	-	-
Working Capital Demand Loan	419.50	133.45
Total Secured short term borrowings	433.09	166.69

Disclosure for Stock Statement Submitted to Banks and as per books :

As at March 31, 2025 :

(₹ in Millions)

Quarter	Amount as per books of accounts	Amount as reported in quarterly return statement	Amount of difference	Reason for material discrepancies
1st quarter	1,501.54	1,282.58	218.96	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
2nd quarter	1,803.73	1,506.67	297.06	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
3rd quarter	1,665.41	1,318.02	347.39	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
4th quarter	1,517.00	1,141.18	375.82	Stores & Spares stock, Stock in Transit not considered in Borrower Statement

As at March 31, 2024 :

(₹ in Millions)

Quarter	Amount as per books of accounts	Amount as reported in quarterly return statement	Amount of difference	Reason for material discrepancies
1st quarter	1,487.80	1,181.86	305.94	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
2nd quarter	1,169.36	964.40	204.96	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
3rd quarter	1,144.24	905.91	238.33	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
4th quarter	998.29	752.27	246.02	Stores & Spares stock, Stock in Transit not considered in Borrower Statement

Note 21 : Trade Payables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables:		
- (A) Total outstanding Dues to micro and small enterprises	30.33	15.00
- (B) Total outstanding dues of creditors Other than micro and small enterprises *	1,938.36	1,697.61
Total	1,968.69	1,712.61

(i). * includes ₹ 1.00Mn (March 31, 2024 : ₹ 0.02Mn) payable to related parties. (Refer Note 46)



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

(i) Information required as per Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due and remaining unpaid	32.78	19.92
Interest due and unpaid on the above amount	0.01	1.73
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	2.16	0.69
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	1.93	1.89
Interest accrued and remaining unpaid	9.44	9.67
Amount of further interest remaining due and payable	-	-

(ii) The above is based on the intimation received from its vendors regarding the status under Micro, Small and Medium enterprises development (MSMED Act, 2006), except as stated above. The above information is based on the information compiled by the Company and relied upon by the statutory auditors.

(iii) Outstanding of MSME creditors excludes Creditor for Capital Goods value of which is ₹ 2.45 Mn (March 31, 2024 : ₹ 4.92 Mn,) (Refer Note 22)

Trade Payables Ageing Schedules as at March 31, 2025:

(₹ in Millions)

Particulars	Outstanding for following years from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	23.76	6.57	-	-	-	30.33
(ii) Others	1,719.60	216.10	0.69	0.60	1.37	1,938.36
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade Payables Ageing Schedules as at March 31, 2024:

(₹ in Millions)

Particulars	Outstanding for following years from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3.09	11.91	-	-	-	15.00
(ii) Others	1,537.24	157.80	1.01	0.21	1.35	1,697.61
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Note 22 : Other Current Financial Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Interest accrued but not due on borrowings	4.42	5.02
(b) Creditors for capital items	21.05	29.04
(c) Derivative Financial Liabilities	7.07	0.34
Total	32.54	34.40



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 23 : Other Current Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Advance from Customers	126.03	105.86
(b) Employees Liabilities	33.58	28.13
(c) Statutory Liabilities	12.04	9.96
Total	171.65	143.95

Note 24 : Provisions

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits		
(i) Provision for Gratuity	10.84	8.58
(ii) Provision for Leave Encashment	0.95	0.83
Total	11.79	9.41

Note 25 : Current Tax Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income tax	25.66	14.65
Total	25.66	14.65

Note 26 : Revenue from operations

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Sale of Products	10,068.32	8,731.86
(b) Revenue from Services		
Job work Sales	14.14	2.09
(c) Other Operating Revenue		
Commission Received	9.43	6.05
Scrap Sale	13.78	15.16
Other Operating Income	19.27	10.49
Total	10,124.94	8,765.65

Note 27 : Other Income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Received	0.49	12.10
Insurance Claim Received	0.43	20.02
Net (Loss)/Gain on foreign currency transaction	-	63.36
Export Incentives	22.17	11.54
Expenses no longer payable written back	3.99	-
Miscellaneous Income	3.85	2.95
Total	30.93	109.97



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 28 : Cost of Materials Consumed

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Raw material consumed		
Opening Stock	427.29	767.43
Add: Purchases	6,186.38	4,647.94
Less: Sales	-	-
Less: Closing Stock	(753.04)	(427.29)
SUBTOTAL (A)	5,860.63	4,988.08
(b) Packing Materials Consumed		
Opening Stock	17.60	22.70
Add: Purchases	216.63	180.84
Less: Sales	-	-
Less: Closing Stock	(18.87)	(17.60)
SUBTOTAL (B)	215.36	185.94
TOTAL	6,075.99	5,174.02

Note 29 : Purchase of Traded Goods

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchase of Traded Goods	1,343.12	1,364.94
TOTAL	1,343.12	1,364.94

Note 30 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Inventories at the end of the year		
Finished Goods	379.40	261.11
Traded Goods	149.56	115.21
Semi Finished Goods	133.57	110.61
Total (a)	662.53	486.93
(b) Inventories at the beginning of the year		
Finished Goods	261.11	218.85
Traded Goods	115.21	90.00
Semi Finished Goods	110.61	117.41
Total (b)	486.93	426.26
(Increase)/Decrease in Inventory	(175.60)	(60.68)

Note 31 : Employee Benefit Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salary, Wages and Bonus	321.51	302.05
(b) Contribution to Provident and other funds	83.60	19.51
(c) Staff Welfare expenses	11.88	6.75
Total	416.99	328.31



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Note 32 : Finance Costs

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest	73.89	102.20
(b) Exchange differences regarded as an adjustment to borrowing costs	3.81	2.01
(c) Other borrowing costs	4.78	4.68
Total	82.48	108.89

Note 33 : Depreciation and Amortisation expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of Property, Plant and Equipment	225.91	205.39
Amortization of Intangible Assets	5.53	6.92
Amortization for Right of use assets	0.48	0.48
Amortization of Leasehold land	0.84	0.83
Total	232.76	213.62

Note 34 : Other Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Manufacturing Expenses		
Power and Fuel	546.25	502.73
Water Charges	0.99	0.79
Repairs and Maintenance		
- Machinery	56.28	46.83
- Others	34.61	23.48
Stores and Spares Consumed	86.27	105.58
Labour Charges	73.96	52.12
Other Manufacturing Expenses	225.86	196.92
Selling and Distribution Expenses		
Freight, Handling and Other Sales and Distribution Expenses	276.35	220.30
Commission on Sale	72.42	49.59
Advertisement and Publicity	32.39	28.12
Establishment Expenses		
Rent	0.80	0.87
Rates and Taxes	8.33	4.35
Insurance	14.28	13.44
Communication cost	2.03	1.99
Travelling and Conveyance	17.09	13.57
Repairs and Maintenance - Others	2.27	3.26
Printing and Stationery	0.54	0.31
Legal and Professional Charges	36.76	31.43
Provision for Impairment in subsidiary	1.00	-
Auditor's Remuneration (refer note below)	1.02	1.20
Subscriptions	2.23	1.22
Irrevocable receivables written off	0.56	2.67
Corporate Social Responsibility (Refer Note 37)	14.01	13.56
Administrative expenses	32.74	23.26
Net Loss/(Gain) on foreign currency translation and transaction	33.29	-
Loss/(Profit) on Sales of Fixed Assets / Written Off	0.34	14.93
Provision for Doubtful Debts/Advances (including ECL)	14.56	1.14
Total	1,587.23	1,353.66



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note: Auditors Remuneration

(₹ in Millions)

Auditor's remuneration comprises:	For the year ended March 31, 2025	For the year ended March 31, 2024
As Auditors	0.70	0.70
For Tax Audit	0.15	0.15
For Taxation matters	0.16	0.09
For Certification and other services	0.01	0.26
Total	1.02	1.20

Note 35 : Contingent Liabilities

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Claims against the Company not acknowledged as debt		
DRI Mumbai and Ahmedabad	3.62	4.50
Income Tax Liability that may arise in respect of matters in appeal	1.82	0.48
GST liability that may arise in respect of matters in dispute	-	3.55
(b) Guarantees excluding financial guarantees	85.26	46.80
Total	90.70	55.33

Note:

- 1) The Company had received various Show Cause cum Demand Notice from DRI Mumbai and Ahmedabad in relation to licences purchased by the Company which were found to be bogus.
- 2) For AY 2018-19 the Company received penalty order during the year following disallowance of R&D expenditure. The Company has preferred an appeal with CIT(A).
- 3) The Company had claimed GST refund for the period July 2017 to September 2021 for which it received summons on 19.01.2022 from DGGI u/s 70 of CGST ACT, 2017. Consequently, the Company re-paid the refund amount alongwith interest amount in FY 23-24. However, based on the legal advice received, the Company contemplated to file application of refund for the same and hence shown it as a receivable and corresponding contingent liability in books of account in FY 23-24. However, in the current year, looking at the time and efforts involved, the Company charged off the said receivable in the statement of profit & loss.

Note 36 : Commitments

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Estimated amount of contracts to be executed on capital account and not provided for (Net off Advances)	35.98	49.61
(b) Letter of Credit Outstanding	341.39	571.05
Total	377.37	620.65

Note 37 : Corporate Social Responsibility expenses

Pursuant to the provisions of the Companies Act, 2013 the Company is required to spend two percent of the average net profits for the immediately preceding, three financial years towards CSR activities.

Details of expenditure incurred towards CSR is as follows:



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(₹ in Millions)

Corporate Social Responsibility expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Gross amount required to be spent by the Company during the year	14.01	13.56
(ii) Amount of expenditure incurred,	13.31	13.63
(iii) Shortfall at the end of the year,	0.70	(0.15)
(iv) Total of previous years shortfall	2.99	2.99
(v) Reason for shortfall,		
(vi) Nature of CSR activities	Unspent amount deposited in approved funds.	-
(vii) Details of related party transactions	Promotion of Education, Water supply, Medical Expenses and other activities as per Schedule VII	Promotion of Education, Water supply, Medical Expenses and other activities as per Schedule VII
(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.	-	-

Note 38 : Expenditure on Research and Development

(₹ in Millions)

Expenditure on Research and Development	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital Expenditure	0.64	2.67
Revenue Expenditure	19.17	18.91

Note 39 : Current Tax and Deferred Tax

(a) Amounts recognised in profit and loss and Other Comprehensive Income

(₹ in Millions)

Details	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense		
Current year Tax	154.32	80.23
Deferred tax expense recognised in Profit and Loss account	(2.38)	73.41
Deferred tax expense recognised in Other Comprehensive Income	(0.70)	0.76
Income tax(excess)/ short provision of earlier years	5.24	0.15
Total Income tax Expense	156.48	154.55



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- b) Reconciliation between provision of income tax of the Company and amounts computed by applying Statutory Income tax rates to Profit before tax is as follows:

A) Current tax

(₹ in Millions)

Details	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	590.11	338.26
Enacted Tax rates in India	25.17%	25.17%
Tax Expenses	148.52	85.13
Non Deductible Tax expenses	2.90	68.20
Deduction under chapter VI-A	0.52	0.31
Income Tax recognised in respect of earlier years	5.24	0.15
Total Tax expenses recognised in the statement of Profit and Loss	157.17	153.78

B) Deferred Tax :

(₹ in Millions)

Details	For the year ended March 31, 2024	Recognised in Profit and loss (Asset)/ liability	Recognised in Other Comprehensive Income (Asset)/ liability	For the year ended March 31, 2025
Tax effect of items constituting deferred tax Liability :				
Property Plant and Equipment	268.46	(21.78)	-	290.24
Derivative Financial Instruments	0.21	0.21	-	-
Tax effect of items constituting deferred tax assets :				
Provision for employee Benefits	(3.92)	18.76	(0.70)	(21.98)
Provision and expected Credit loss	(0.53)	3.67	-	(4.19)
Derivative Financial Instrument	-	1.79	-	(1.79)
Disallowances	(6.64)	1.15	-	(7.79)
Total	257.58	3.79	(0.70)	254.49

Details	For the year ended March 31, 2023	Recognised in Profit and loss (Asset)/ liability	Recognised in Other Comprehensive Income (Asset)/ liability	For the year ended March 31, 2024
Tax effect of items constituting deferred tax Liability :				
Property Plant and Equipment	191.62	(76.84)	-	268.46
Derivative Financial Instrument	-	(0.21)	-	0.21
Tax effect of items constituting deferred tax assets :				
Provision for employee Benefits	(3.22)	(0.06)	0.76	(3.92)
Provision and expected Credit loss	(0.24)	0.29	-	(0.53)
Derivative Financial Instrument	(0.48)	(0.48)	-	-
Disallowances	(4.28)	2.36	-	(6.64)
Total	183.40	(74.94)	0.76	257.58



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Note 40 : Earnings per share

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit/(Loss) after tax before Exceptional Item	435.72	239.07
Net Profit/(Loss) after tax after Exceptional Item	435.72	181.43
Equity shares at the beginning of the year (nos. of shares)	5,80,00,000	5,80,00,000
Equity shares issued during the year	-	-
Equity shares at the end of the year (nos. of shares)	5,80,00,000	5,80,00,000
Weighted average equity shares for the purpose of calculating basic earnings per share (nos. of shares)	5,80,00,000	5,80,00,000
Weighted average equity shares for the purpose of calculating diluted earnings per share (nos. of shares)	5,80,00,000	5,80,00,000
<u>Before Exceptional Item:</u>		
Earnings per share-basic (face value of ₹ 2 each) (₹)	7.51	4.12
Earnings per share-diluted (face value of ₹ 2 each) (₹)	7.51	4.12
<u>After Exceptional Item:</u>		
Earnings per share-basic (face value of ₹ 2 each) (₹)	7.51	3.13
Earnings per share-diluted (face value of ₹ 2 each) (₹)	7.51	3.13

Note 41 : Employee Benefits

I. Details of retirement plans:

The employees of the Company are members of a state – managed retirement benefit plans namely gratuity fund operated by the Government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

The Company has recognised the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (Refer Note 31)

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Provident & Other Funds	13.60	12.80
Total	13.60	12.80

II. Defined benefit plans

The Company operates funded gratuity plan for qualifying employees. Under the plan, the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service.

No other post retirement benefits are provided to these employees.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at March 31, 2025 and March 31, 2024 by the certified actuarial valuer.

The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.



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Notice**Notes forming part of the Standalone financial statements for the year ended March 31, 2025****(A) Movements in present value of defined benefit obligation**

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Obligations as at beginning of the year	35.93	31.74
Current service cost	6.39	6.31
Past service cost	62.99	-
Current service contribution- employee	-	-
Interest cost	2.60	2.38
Transfer in	-	-
Plan amendment	-	-
Acquisitions	-	-
Benefits paid	(0.99)	(1.48)
Actuarial (gain)/loss	2.80	(3.02)
Exchange difference	-	-
Present value of defined benefit obligation as at end of the year	109.72	35.93

(B) Movements in the fair value of plan assets

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair value of plan assets at beginning of the year	27.34	26.42
Expected return on plan assets	1.98	1.99
Actual return on plan assets	0.01	0.02
Actuarial gain/(loss) on plan assets	-	-
Contributions by the employer	2.17	0.41
Other adjustments	-	-
Benefits paid	(0.99)	(1.48)
Exchange difference	-	-
Fair value of plan assets as at end of the year	30.51	27.34

(C) Amount recognized in the balance sheet

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of defined benefit obligation as at end of the year	109.72	35.93
Fair value of plan assets as at end of the year	30.51	27.34
As at year end [Asset/(Liabilities)]	(79.21)	(8.59)



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(D) Category of Assets

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	30.51	27.34
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	30.51	27.34

(E) Other Details

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
No of Members in Service	621	485
Per Month Salary For Members in Service	10.84	9.21
Average Expected Future Service in Year	11.00	12.00
Projected Benefit Obligation (PBO) - Total	109.72	35.93
Projected Benefit Obligation (PBO) - Due but Not Paid	-	-
Expected Contribution in the Next year	10.84	9.21

(F) Net Interest Cost for Current Year

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the year	35.93	31.74
(Fair Value of Plan Assets at the Beginning of the year)	(27.34)	(26.42)
Net Liability/(Asset) at the Beginning	8.59	5.32
Interest Cost	2.60	2.38
(Interest Income)	(1.98)	(1.98)
Net Interest Cost for Current year	0.62	0.40



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(G) Amounts recognized in the statement of profit and loss

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	6.39	6.31
Past service cost	62.99	-
Interest cost	0.62	0.40
Expected return on plan assets	-	-
Past service cost	-	-
Net actuarial (gain)/loss recognized in the year	-	-
Total	70.00	6.71

(H) Maturity Analysis of the Benefit Payments*

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
1st Following Year	7.87	2.35
2nd Following Year	7.37	2.55
3rd Following Year	7.09	2.99
4th Following Year	7.57	2.43
5th Following Year	38.90	2.69
Sum of Years 6 To 10	28.17	15.81
Sum of Years 11 and above	114.99	50.57

* These are undiscounted benefits.

(I) Amounts recognised in other comprehensive income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (Gains)/Losses on Obligation For the year	2.80	(3.02)
Return on Plan Assets, Excluding Interest Income	(0.01)	(0.02)
Total	2.79	(3.04)

(J) Category of plan assets

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Administered by Life Insurance Corporation of India	100%	100%
Government of India Securities	-	-
State Government securities	-	-
Special Deposit Scheme	-	-

The Company's plan assets in respect of gratuity are funded through the Gratuity Scheme of LIC.



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(K) Sensitivity analysis

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
DBO On base assumptions	109.72	35.93
A. Discount Rate		
1. Effect due to 1% increase in discount rate	(7.69)	(2.87)
2. Effect due to 1% decrease in discount rate	8.90	3.33
B. Salary Escalation Rate		
1. Effect due to 1% increase in salary escalation rate	8.70	2.99
2. Effect due to 1% decrease in salary escalation rate	(7.68)	(2.62)
C. Withdrawal Rate		
1. Effect due to 1% increase in withdrawal rate	(0.82)	0.00
2. Effect due to 1% decrease in withdrawal rate	0.92	(0.00)

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.

These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(L) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

i) General assumptions

(₹ in Millions)

Particulars	Gratuity (funded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate (per annum)	6.78%	7.23%
Rate of return on plan assets	6.78%	7.23%
Withdrawal rate	6.00%	5.15%
Rate of increase in compensation	8.00%	8.00%

- ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2012-14) (Modified) ULT. (FY 2023-24: Life Insurance Corporation of India (2012-14), FY 2022-23: Life Insurance Corporation of India (2012-14), FY 2021-22: Life Insurance Corporation of India (2006-08)) mortality table.
- iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to March 31, 2025 is available for encashment on separation from the Company up to a maximum of 45 days.
- iv) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- v) Short term compensated absences have been provided on actual basis.



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 42 : Segment Reporting

The Company operates in a Single segment viz Speciality Chemicals and the operations are largely confined to India. Accordingly, reporting under Ind AS 108 - Segment Reporting is not applicable.

Note 43 : Fair Value measurements

Financial Instruments by Category

Carrying values of Financial assets and financial liabilities including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, Trade payables, borrowings of which the fair value is a reasonable approximation of fair value due to their short term nature are disclosed at carrying values.

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial Assets						
(i) Investments	-	-	-	-	-	0.51
(ii) Trade receivables	-	-	1,972.68	-	-	1,603.41
(iii) Cash and cash equivalents	-	-	166.51	-	-	99.65
(iv) Bank Balances other than (iii) above	-	-	0.74	-	-	0.73
(v) Other Financial Assets	-	-	35.42	1.17	-	25.35
Total Financial Assets	-	-	2,175.34	1.17	-	1,729.65
Financial Liabilities						
(i) Borrowings	-	-	1,010.52	-	-	820.68
(ia) Lease Liabilities	-	-	5.28	-	-	5.76
(ii) Trade payables	-	-	1,968.68	-	-	1,712.61
(iii) Other financial liabilities	7.07	-	25.46	0.34	-	34.06
Total Financial Liabilities	7.07	-	3,009.95	0.34	-	2,573.11

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial Assets and Liabilities measured at Fair values - recurring fair value measurements

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets at FVTPL	-	-	-	-	1.17	-
Financial Assets at FVOCI	-	-	-	-	-	-
Total Financial assets	-	-	-	-	1.17	-
Financial Liabilities at FVTPL	-	7.07	-	-	0.34	-
Financial Liabilities at FVOCI	-	-	-	-	-	-
Total Financial Liabilities	-	7.07	-	-	0.34	-

**Notes forming part of the Standalone financial statements for the year ended March 31, 2025**

Fair value measurements recognised in the balance sheet:

The above table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There are no transfers between Levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting year.

Note 44 : Financial Risk management

The Company's principal financial liabilities comprise of loan from banks and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of director is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Company enters into derivative contracts with an intention to hedge its foreign exchange price risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss.

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and Other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 60 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.



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The carrying amount of following financial assets represents the maximum credit exposure.

The Maximum exposure to credit risk for Trade receivables agewise is as mentioned below:

(₹ in Millions)

Trade receivables	As at March 31, 2025	As at March 31, 2024
Neither past due nor impaired	1,728.64	1,285.11
past due less than 6 months	227.45	303.02
past due 6 months - 1 year	10.46	9.27
past due 1 - 2 years	6.70	8.62
past due 2 - 3 years	6.33	0.48
past due 3 - 5 years	0.06	-
past due more than 5 years	-	-
Total	1,979.64	1,606.51
Less: Loss allowance	6.96	2.09
Net Total	1,972.68	1,604.42

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Following table represent allowance for doubtful debts with the trade receivables over the years:

Reconciliation of Loss allowance provision

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Loss Allowance at the beganing of the year	2.09	0.95
Add: Allowance for Expected Credit loss during the year	4.87	1.14
Add: Allowance for Expected Credit loss during the year specific provision	-	-
Loss Allowance at the end of the year	6.96	2.09

(ii) Cash and Cash Equivalents and Other Bank balances

The Company maintains exposure in cash and cash equivalents, term deposits with banks and derivative contracts.

The Company held cash and cash equivalents of ₹ 166.51Mn at March 31, 2025 (March 31, 2024: ₹ 99.65Mn). Cash and cash equivalents other than actual Cash are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.



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B. Market Risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

(i) Currency Risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Company uses both derivative instruments, i.e, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities. The Company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

Following is the derivative financial instruments to hedge the foreign exchange rate risk

(₹ in Millions)

Trade receivables	As at March 31, 2025	As at March 31, 2024
Trade and Other Receivables and payable	867.40	142.46
Hedges available	860.33	143.29
Net exposure to Foreign currency risk	7.07	(0.83)

The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

(₹ in Millions)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	628.21	1,084.04	483.17	922.60
EUR	43.27	31.61	33.42	3.68
CNY	-	102.21	-	76.27
Total	671.48	1,217.86	516.59	1,002.55

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

The following table details the Company's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies of all the companies in the Company. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The



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sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

(₹ in Millions)

Particulars	As at March 31, 2025		As at March 31, 2024	
	(Increase)	(Decrease)	(Increase)	(Decrease)
Impact on profit before tax				
USD	(22.79)	22.79	(21.97)	21.97
EUR	0.58	(0.58)	1.49	(1.49)
CNY	(5.11)	5.11	(3.81)	3.81
Total	(27.32)	27.32	(24.29)	24.29

(ii) Interest rate Risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

Interest rate sensitivity analysis:

As at March 31, 2025 and March 31, 2024 financial liability of ₹ 3,017.04Mn and ₹ 2,573.44Mn respectively, were subject to variable interest rates. Increase/decrease of 25 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of ₹ 7.54Mn and ₹ 6.43Mn for the year ended March 31, 2025 and March 31, 2024 respectively.

The risk sensitivity estimates provided are based on the assumption that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact if any is indicated on the profit/(loss) before tax basis).

(iii) Liquidity Risk:

The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has a overdraft facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

Liquidity table:

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:



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(₹ in Millions)

Particulars	As at March 31, 2025			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	574.71	399.80	36.01	1,010.52
Lease Liabilities	0.48	2.40	2.40	5.28
Trade and other payables	1,968.68	-	-	1,968.68
Other financial liabilities	32.54	-	-	32.54
Total financial liabilities	2,576.41	402.20	38.41	3,017.02

(₹ in Millions)

Particulars	As at March 31, 2024			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	392.31	428.37	-	820.68
Lease Liabilities	0.48	2.40	2.88	5.76
Trade and other payables	1,712.61	-	-	1,712.61
Other financial liabilities	34.40	-	-	34.40
Total financial liabilities	2,139.80	430.77	2.88	2,573.45

Equity price sensitivity analysis:

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

C. Capital Management

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the shareholders value. The Company funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

The Net Gearing Ratio at the end of the reporting year was as follows:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Debts	1,010.52	820.68
Cash and Cash Equivalents	166.51	99.65
Net Debts (A)	844.02	721.03
Total Equity (As per Balance Sheet) (B)	3,674.70	3,258.47
Net Gearing (A/B)	0.23	0.22

Note 45 : In FY 2023-24, expenditure of ₹ 57.64 Mn in connection with the IPO, which was proposed to be launched, was charged to the Statement of Profit and Loss and included as an Exceptional Item as proposal approved by SEBI had expired by then.



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Note 46 : Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015:

A. List of Related Parties with whom Company had transaction or balances during the year are as follows:

a) Subsidiary Company

- 1) Prasol Aromatics Private Limited -Wholly owned subsidiary (Associate till January 23,2025)

b) Key Management Personnel

Directors

- 1) Nishith R. Shah- Executive Director
- 2) Gaurang N. Parikh- Executive Director
- 3) Dhaval N. Parikh- Executive Director
- 4) Pankil N. Dharia- Executive Director

Key Management Personnel :

- 1) Rahul A Shroff- Chief Financial Officer & President Finance (w.e.f. July 04, 2023)(Also a relative of KMP)
- 2) Hitesh Sheth-Chief Financial Officer (upto July 04, 2023)
- 3) Kiran Agrawal- Company Secretary

Independent Directors

- 1) Srinivasan S.-Independent Director
- 2) G.Ramakrishnan-Independent Director
- 3) Lakshmi Kantam M.-Independent Director
- 4) Ajay M Jain -Independent Director (Resigned w.e.f. April 01,2024) (Appointed w.e.f. December 18,2024)

c) Relatives of Key Management Personnel/ Promoters:

- 1) Sandhya Nishith Shah
- 2) Jignasha Kantawala

d) Enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise

- 1) Maxima FRP Product

e) Enterprises over which any person described in (b) is able to exercise control

- 1) Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)
- 2) Galaxy Chemicals (Firm)

f) Enterprises over which any person described in (c) is able to exercise control

- 1) Heat Fabs (Firm)
- 2) Heatreaters & Engineers (Firm)
- 3) Wiyo Travel (Firm)



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B) List of transaction with related party done during year ended March 31st 2025

Sr. No.	Nature of Transaction	Name of the Party	Financial Year	Subsidiary Company (a)	Key Management personnel(b)	Relatives of Key Management personnel(c)	Entities where control exists(d)	Enterprise over which KMP has control(e)	Enterprise over which relative of KMP has control(f)	Total
1	Sale of Finished Goods		2024-25	-	-	-	0.25	-	-	0.25
			2023-24	-	-	-	0.32	0.53	-	0.85
		Maxima FRP Product	2024-25	-	-	-	0.25	-	-	0.25
		Galaxy Chemicals (Firm)	2023-24	-	-	-	0.32	-	-	0.32
			2024-25	-	-	-	-	-	-	-
2	Purchase of Stores & Consumables		2023-24	-	-	-	-	0.53	-	0.53
			2024-25	-	-	-	-	-	4.57	4.57
		Heat Fabs (Firm)	2023-24	-	-	-	-	-	0.32	0.32
		Heatreaters & Engineers (Firm)	2024-25	-	-	-	-	-	4.48	4.48
			2023-24	-	-	-	-	-	0.32	0.32
3	Purchase of MEIS and ROTDEP License		2024-25	-	-	-	-	-	0.09	0.09
			2023-24	-	-	-	-	-	-	-
		Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)	2024-25	-	-	-	-	0.48	-	0.48
			2023-24	-	-	-	-	0.38	-	0.38
			2024-25	-	-	-	-	-	-	-
4	Purchase Equipments, including freight thereon		2023-24	-	-	-	-	8.75	-	8.75
			2024-25	-	-	-	-	-	-	-
		Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)	2023-24	-	-	-	-	-	-	-
			2024-25	-	-	-	-	-	-	-
			2023-24	-	-	-	-	-	-	-



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5	Interest Paid		2024-25	-	0.79	-	-	-	-	0.79
			2023-24	-	1.60	-	-	-	-	1.60
6	Director Sitting Fees	Nishith R Shah	2024-25	-	0.79	-	-	-	-	0.79
			2023-24	-	1.60	-	-	-	-	1.60
			2024-25	-	1.10	-	-	-	-	1.10
			2023-24	-	1.14	-	-	-	-	1.14
		G.Ramakrishnan	2024-25	-	0.34	-	-	-	-	0.34
		Ajay M Jain	2023-24	-	0.31	-	-	-	-	0.31
7	Directors Remuneration		2024-25	-	0.12	-	-	-	-	0.12
			2023-24	-	0.31	-	-	-	-	0.31
		Lakshmi Kantam M.	2024-25	-	0.31	-	-	-	-	0.31
			2023-24	-	0.21	-	-	-	-	0.21
		Srinivasan S.	2024-25	-	0.34	-	-	-	-	0.34
			2023-24	-	0.31	-	-	-	-	0.31
			2024-25	-	140.13	-	-	-	-	140.13
			2023-24	-	68.60	-	-	-	-	68.60
		Dhaval N Parikh	2024-25	-	25.62	-	-	-	-	25.62
			2023-24	-	14.31	-	-	-	-	14.31
		Gaurang N Parikh	2024-25	-	38.35	-	-	-	-	38.35
			2023-24	-	18.90	-	-	-	-	18.90
		Nishith R Shah	2024-25	-	61.72	-	-	-	-	61.72
			2023-24	-	26.73	-	-	-	-	26.73
		Pankil N Dharja	2024-25	-	14.44	-	-	-	-	14.44
			2023-24	-	8.66	-	-	-	-	8.66



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8	Expenses incurred on behalf of Subsidiary	Prasol Aromatics Private Limited	2024-25	0.59	-	-	-	-	-	0.59
			2023-24	0.13	-	-	-	-	-	0.13
9	Salary Paid		2024-25	-	8.53	-	-	-	-	8.53
			2023-24	-	8.74	0.63	-	-	-	9.37
		Hitesh Sheth	2024-25	-	-	-	-	-	-	-
			2023-24	-	2.22	-	-	-	-	2.22
		Rahul A Shroff	2024-25	-	7.18	-	-	-	-	7.18
			2023-24	-	5.28	0.63	-	-	-	5.91
10	Vehicle hire charges	Kiran Agrawal	2024-25	-	1.36	-	-	-	-	1.36
			2023-24	-	1.24	-	-	-	-	1.24
			2024-25	-	-	-	-	-	3.28	3.28
			2023-24	-	-	-	-	-	1.52	1.52
11	Loan Taken	Wiiyo Travel (Firm)	2024-25	-	-	-	-	-	3.28	3.28
			2023-24	-	-	-	-	-	1.52	1.52
			2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	19.00	-	-	-	-	19.00
12	Loan Repaid	Nishith R Shah	2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	19.00	-	-	-	-	19.00
			2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	-	-	-	-	-	-
			2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	-	-	-	-	-	-



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13	Remuneration Payable (Directors)		2024-25	-	5.98	-	-	-	-	5.98
			2023-24	-	5.84	-	-	-	-	5.84
		Dhaval N Parikh	2024-25	-	1.29	-	-	-	-	1.29
			2023-24	-	1.29	-	-	-	-	1.29
		Gaurang N Parikh	2024-25	-	1.59	-	-	-	-	1.59
			2023-24	-	1.59	-	-	-	-	1.59
		Nishith R Shah	2024-25	-	2.17	-	-	-	-	2.17
			2023-24	-	2.17	-	-	-	-	2.17
14	Outstanding Debit Balance	Pankil N Dharja	2024-25	-	0.93	-	-	-	-	0.93
			2023-24	-	0.80	-	-	-	-	0.80
			2024-25	-	-	-	0.15	-	-	0.15
			2023-24	0.13	-	-	0.25	0.63	-	1.01
15	Outstanding Credit balance	Maxima FRP Product	2024-25	-	-	-	0.15	-	-	0.15
			2023-24	-	-	-	0.25	-	-	0.25
		Prasol Aromatics Private Limited	2024-25	-	-	-	-	-	-	-
			2023-24	0.13	-	-	-	-	-	0.13
		Galaxy Chemicals (Firm)	2024-25	-	-	-	-	-	-	-
			2023-24	-	-	-	-	0.63	-	0.63
			2024-25	-	0.10	-	-	-	1.00	1.10
			2023-24	-	0.63	-	-	-	0.02	0.65
		Heat Fabs (Firm)	2024-25	-	-	-	-	-	0.85	0.85
			2023-24	-	-	-	-	-	-	-
		Wiylo Travel (Firm)	2024-25	-	-	-	-	-	0.15	0.15
			2023-24	-	-	-	-	-	0.02	0.02
		Rahul A Shroff	2024-25	-	-	-	-	-	-	-
			2023-24	-	0.53	-	-	-	-	0.53
		Kiran Agrawal	2024-25	-	0.10	-	-	-	-	0.10
			2023-24	-	0.09	-	-	-	-	0.09



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Note 47 : Disclosure in terms of Ind AS 115

Revenue from Contract with customers :

i.) Revenue from contracts with customers :

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Revenue recognised at point in time	10,082.47	8,733.95
Revenue recognised over time	-	-
Total revenue from contracts with customers under Ind AS 115	10,082.47	8,733.95
Other operating revenue	42.48	31.70
Total revenue from operation	10,124.95	8,765.65

i.) a) Reconciliation of revenue from contract price with customer is as follows:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Revenue as per contract price with customer	10,141.96	8,780.04
Less: - Adjustments towards discounts, rebates, incentives etc	17.01	14.39
Revenue as recognised in the financial statements	10,124.95	8,765.65

ii.) Disaggregated revenue

The chief operating 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. Operating segments have been identified on the basis of nature of products / service.

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Within India	7,255.03	6,546.46
Outside India	2,869.92	2,219.19
Total	10,124.95	8,765.65

iii.) Sales by performance obligation

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Upon shipment	10,124.95	8,765.65

iv.) Movement of contract asset and contract liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
A) Contract liabilities :		
Advances from customers		
Balance as at the beginning of the year	105.86	40.27
Add: addition during the year	126.03	105.86
Less: transferred to receivable	105.86	40.27
Balance as at the end of the year	126.03	105.86

v.) Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less. Hence, the Company has applied practical expedient as per para 121 of the Ind As 115 in regards to remaining performance obligations.



Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 48 : Disclosure in terms of Ind AS 116

As Lessee

The following table sets out a maturity analysis of lease payments, showing undiscounted lease payments to be paid after the reporting year.

1. Amounts recognised in Balancesheet and Profit and loss Account

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Right to use Assets and Leasehold land :		
Addition during the year	2.97	2.34
Amortization for the year	1.32	1.31
Carrying amount	80.63	78.98
Lease Liability		
Non Current	4.80	5.28
Current	0.48	0.48
Cash Outflow for Lease:		
Lease payment	0.48	0.48

2. Maturity analysis of lease liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	0.48	0.48
One to Five years	2.40	2.40
More than Five years	2.40	2.88

Note 49 : Following Ratios to be disclosed

Sr. No.	Ratio	Numerator	Denominator	FY 24-25	FY 23-24	Variance %	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	1.34	1.19	12.15%	*
2	Debt-Equity Ratio	Total Debt	Total Equity	0.27	0.25	9.19%	*
3	Debt Service Coverage Ratio	Earnings Available for debt service	Debt service	1.54	1.23	25.27%	The ratio has improved due to increase in net profit after taxes.
4	Return on Equity Ratio	Net profit after taxes	Average shareholders equity	12.57%	5.71%	119.98%	The ratio has improved due to increase in net profit after taxes.
5	Inventory turnover Ratio	Cost of good sold	[(Opening Inventory+ Closing Inventory)/2]	5.75	5.62	2.26%	*
6	Trade Receivables turnover Ratio	Turnover	[(Opening Recivables + Closing Recivables)/2]	5.66	5.34	6.01%	*
7	Trade payables turnover Ratio	Purchase	[(Opening payable + Closing payable)/2]	4.21	3.71	13.32%	*
8	Net capital turnover Ratio	Net Sales	Working Capital	10.72	19.59	-45.26%	The ratio has decreased due to Increase in working capital.
9	Net profit Ratio	Net profit after tax	Net sales	4.30%	2.07%	107.91%	The ratio has improved due to increase in Revenue and absence of exceptional items.
10	Return on Capital employed	Earnings before interest & Taxes	Capital Employed	13.50%	10.09%	33.83%	The ratio has improved due to increase in net profit after taxes.

*As per the guidance note issued by The Institute of Chartered Accountant of India the Company is not required to give an explanation for changes in ratios that are less than 25% compared to the preceding year.



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Notes forming part of the Standalone financial statements for the year ended March 31, 2025

Note 50 : Additional Disclosures

- i) The Company has neither advanced any loans nor invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 51: Other Disclosures

- a. The Company does not have any proceedings which have been initiated or pending against the Company for holding any Benami property;
- b. The Company does not have any transactions with struck off companies;
- c. The charge creation for HDFC Bank for Deed of Hypothecation is in progress and will get completed in due course.
- d. The Company has neither traded or invested, nor holds Crypto currency or Virtual Currency during the year;
- e. During the year, there were no instances of surrender or disclosure of income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f. The Company is not declared as willful defaulter by any bank or financial Institution or other lender.
- g. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

As per our attached report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
Prasol Chemicals Limited

Diwakar Sapre
Partner
Membership No. 040740

Nishith R. Shah
Chairman and Whole Time Director
DIN:00381267

Gaurang N. Parikh
Managing Director
DIN:00190701

Place: Navi Mumbai
Date: 18-06-2025

Rahul A. Shroff
Chief Financial Officer & Finance Director

Kiran Agrawal
Company Secretary

Place: Navi Mumbai
Date : 18-06-2025



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRASOL CHEMICALS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Prasol Chemicals Limited** (hereinafter referred to as 'the Parent') and its subsidiary (the Parent and the subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of material 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 the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit and other comprehensive income, consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Parent and its subsidiary 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 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 opinion on the Consolidated Financial Statements.

Emphasis of Matter

As stated in Note No. 14, the Company proposes to go in for an Initial Public Offer (IPO) and has incurred an expenditure of Rs. 3.27 Million in connection therewith. The same is included under Other Current Assets in Note No. 14. The Company proposes to charge the same to Securities Premium Account once the IPO process is completed.

Our report is not modified in respect of the above matter.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent's Management and Board of Directors are responsible for the preparation of the Other Information. The Other Information comprises the information included in the boards report including Annexures but does not include the Consolidated Financial Statements and our auditor's 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 the audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Consolidated Financial Statements or the knowledge obtained during the course of the audit, or otherwise appears to be materially misstated.



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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. When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Parent and its subsidiary in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the Parent and its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Parent and of its subsidiary and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the Parent and its subsidiary are responsible for assessing the ability of the Parent and its subsidiary 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 their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the Parent and its subsidiary are responsible for overseeing the financial reporting process of the Parent and its subsidiary.

Auditor's Responsibility for the audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of the Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt



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on the ability of the Parent and its subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 the report. However, future events or conditions may cause the Parent and its subsidiary 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 represents the underlying transactions and events in a manner that achieve fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Parent and its subsidiary of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors.

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

We communicate with those charged with governance 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on the audit and on the consideration of the reports on Separate Financial Statements and the other financial information of the subsidiary, we report, to the extent applicable, that:
 - a) Except for our observations in Annexure A to this report, 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 relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from the 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 Cash Flow Statement 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.



- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2025 taken on record by the Board of Directors of the Parent and its subsidiary, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Companies covered under the Act and the operating effectiveness of such controls, refer to the separate Report in '**Annexure A**' which is based on the auditors' reports of the Parent. The provisions of section 143(3)(i) are not applicable to the subsidiary Company.
- 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 requisite approvals mandated by the provisions of section 197 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports on Separate Financial Statements as also the other financial information of the subsidiary Company:
- i. The Consolidated Financial Statements have disclosed the impact of pending litigations on consolidated financial position of the Parent and its subsidiary - refer Note No. 35 to the Consolidated Financial Statements.
 - ii. There were no long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary Company.
 - iv.
 - i. The respective managements of the Parent and its subsidiary, represented that, to the best of its knowledge and belief, as disclosed in Note no. 51(i) to the Consolidated Financial Statements, 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 Parent or its subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Parent or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The respective managements of the Parent and its subsidiary represented to us that, to the best of its knowledge and belief, as disclosed in Note no. 51(ii) to the Consolidated Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Parent or its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or its subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary 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) contain any material mis-statement;



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- v. The dividend paid by the Parent during the year in respect of F.Y 2023-2024 is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note no. 16 to the Consolidated Financial Statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
 - vi. Based on our examination, which included test checks, the Parent and the subsidiary have used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and its subsidiary as per the statutory requirement for record retention.
2. With respect to the matters specified in paragraphs 3(xxi) 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 Auditors' report, according to the information and explanations given to us and based on the CARO report issued by us for the Parent, we report that there are no qualifications or adverse remarks in the said CARO report. The said Order is not applicable to the subsidiary.

For C N K & Associate LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036

Diwakar Sapre
Partner
Membership No: 040740
UDIN: 25040740BMIGND6789

Place: Mumbai
Date: June 18, 2025



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Annexure A to Independent Auditors' Report

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

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the "Act")

Modified Opinion

We have audited the internal financial controls over financial reporting of Prasol Chemicals Limited ("the Parent") as of March 31, 2025, in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Parent needs to strengthen controls over maintenance of quantitative item-wise details and corresponding values of Inventory at year-end (including stages at which inventory is lying) and allocation of overheads.

Subject to the above, the Parent has in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025; 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 (the "Guidance Note").

The provisions of section 143(3)(i) are not applicable to the subsidiary Company.

Management's Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the Parent and the subsidiary incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Parent and subsidiary incorporated in India considering essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective companies' policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent and subsidiary incorporated in India, based on the audit. We conducted the audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. The audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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



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2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies 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 with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For C N K & Associate LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Diwakar Sapre

Partner

Membership No: 040740

UDIN: 25040740BMIGND6789

Place: Mumbai

Date: June 18, 2025



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PRASOL CHEMICALS LIMITED

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(₹ in Millions)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	3,244.37	3,244.80
(b) Capital Work-in-Progress	3	212.17	216.65
(c) Other Intangible Assets	4	16.36	18.49
(d) Financial Assets			
(i) Investments	5	-	0.39
(ii) Other Financial Assets	6	24.40	16.13
(e) Other Non-Current Assets	7	2.36	9.97
(f) Other Tax Assets (Net)	8	1.41	1.86
Total non-current assets		3,501.07	3,508.29
Current Assets			
(a) Inventories	9	1,517.00	998.29
(b) Financial Assets			
(i) Trade Receivables	10	1,972.68	1,603.41
(ii) Cash and Cash Equivalents	11	166.51	99.65
(iii) Bank Balances other than (ii) above	12	0.74	0.73
(iv) Other Financial Assets	13	11.02	10.39
(c) Other Current Assets	14	61.85	42.81
Total Current Assets		3,729.80	2,755.28
TOTAL ASSETS		7,230.87	6,263.57
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	116.00	116.00
(b) Other Equity	16	3,558.70	3,142.35
Total Equity		3,674.70	3,258.35
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	435.81	428.37
(ia) Lease Liabilities		4.80	5.28
(b) Deferred Tax Liabilities (net)	18	254.49	257.58
(c) Provisions	19	75.56	6.18
Total Non-Current Liabilities		770.66	697.41
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	574.71	392.31
(ia) Lease Liabilities			
(ii) Trade Payables	21	0.48	0.48
(A) Total outstanding dues of micro enterprises and small enterprises; and		30.33	15.00
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		1,938.35	1,697.61
(iii) Other Financial Liabilities	22	32.54	34.40
(b) Other Current Liabilities	23	171.65	143.95
(c) Provisions	24	11.79	9.41
(d) Current Tax Liabilities (Net)	25	25.66	14.65
Total Current Liabilities		2,785.51	2,307.81
Total Liabilities		3,556.17	3,005.22
TOTAL EQUITY AND LIABILITIES		7,230.87	6,263.57
Material Accounting Policies	1 & 2		

See accompanying Notes from 1 to 52 forming part of the Consolidated Financial Statements

As per our attached report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Diwakar Sapre
Partner
Membership No. 040740

Place: Navi Mumbai
Date: 18-06-2025

For and on behalf of the Board of Directors of
Prasol Chemicals Limited

Nishith R. Shah
Chairman and Whole Time Director
DIN:00381267

Rahul A. Shroff
Chief Financial Officer & President Finance

Place: Navi Mumbai
Date: 18-06-2025

Gaurang N. Parikh
Managing Director
DIN:00190701

Kiran Agrawal
Company Secretary



PRASOL

PRASOL CHEMICALS LIMITED

CIN : U99999MH1992PLC065026

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Notice**Consolidated Statement of Profit and Loss for the year ended March 31, 2025**

(₹ in Millions)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I. Revenue from Operations	26	10,124.94	8,765.65
II. Other Income	27	30.46	109.97
III. Total Income		10,155.40	8,875.62
IV. Expenses			
Cost of Materials Consumed	28	6,075.99	5,174.02
Purchase of Stock-in-Trade	29	1,343.12	1,364.94
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	30	(175.60)	(60.68)
Employee Benefits Expense	31	416.99	328.31
Finance Costs	32	82.48	108.89
Depreciation and Amortization Expense	33	232.77	213.62
Other Expenses	34	1,586.78	1,353.66
Total Expenses (IV)		9,562.53	8,482.76
V. Profit before share of Profit/ (Loss) of associate and Exceptional Items		592.87	392.86
VI. Share in net profit /(Loss) of Associate		-	(0.12)
VII. Profit/ (Loss) Before Exceptional Items and Tax		592.87	392.74
VIII. Exceptional Items (Refer Note 45)		-	57.64
IX. Profit Before Tax		592.87	335.10
X. Tax expense:			
1. Current Tax		154.32	80.23
2. Deferred Tax		(2.38)	73.41
3. Adjustment of Tax for Earlier Years		5.24	0.15
XI. Profit/ (Loss) for the Year		435.69	181.31
XII. Other Comprehensive Income			
A. (i) Items that will not be reclassified to (profit)/ loss		2.79	(3.04)
(ii) Income tax related to items that will not be reclassified to profit or loss		(0.70)	0.76
XIII. Total Comprehensive Income for the Year (Comprising Profit /(Loss) and Other Comprehensive Income for the Year)		433.59	183.59
XIV. Earning per Equity Share			
1. Basic in ₹	40	7.51	3.13
2. Diluted in ₹		7.51	3.13
Material Accounting Policies	1 & 2		
See accompanying Notes from 1 to 52 forming part of the Consolidated Financial Statements			

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
Prasol Chemicals Limited**Diwakar Sapre**

Partner

Membership No. 040740

Nishith R. Shah

Chairman and Whole Time Director

DIN:00381267

Gaurang N. Parikh

Managing Director

DIN:00190701

Place: Navi Mumbai

Date: 18-06-2025

Rahul A. Shroff

Chief Financial Officer & President Finance

Kiran Agrawal

Company Secretary

Place: Navi Mumbai

Date: 18-06-2025



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Consolidated Cash Flows for the year ended March 31, 2025

(₹ in Millions)

Particulars	for the Year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	592.87	335.10
Adjustments for :		
Depreciation/ Amortisation	232.77	213.62
Loss/(profit) on Sale of Fixed Assets	0.41	14.93
Interest income	(0.49)	(12.10)
Finance Cost	72.02	100.15
Impairment of Investment	0.88	-
Remeasurement of net defined benefit plans	71.82	7.16
Net (gain) / loss on foreign exchange fluctuation	33.29	(63.36)
Expenses no longer payable written back	(3.99)	-
Provision for Doubtful Debts	14.56	1.14
Total Adjustments	421.28	261.55
Operating profit before working capital changes	1,014.15	596.65
Changes in working capital:		
(Increase)/ Decrease in trade receivables and Other receivables	(374.13)	74.08
(Increase)/ Decrease in inventories	(518.71)	322.45
(Increase)/ Decrease in other current financial assets	(29.03)	81.90
Increase/ (Decrease) in trade payables	256.09	88.27
Increase/ (Decrease) in other Financial liabilities	(2.35)	(23.60)
Increase/ (Decrease) in other current liabilities	27.69	64.46
Increase/ (Decrease) in other provisions	2.73	(1.31)
Cash generated from operations	376.43	1,202.90
Income taxes refunded / (paid), net	(152.94)	(46.83)
Net cash generated from operating activities	223.49	1,156.07
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(225.82)	(191.38)
Proceeds from sale of Property, Plant and Equipment	0.18	0.71
Investment in Subsidiary Company	(0.49)	(0.39)
Interest received	0.49	12.10
Net cash (used in) / generated from investing activities	(225.64)	(178.96)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt from Borrowing	22,090.56	20,451.11
Repayment of Borrowing	(21,900.72)	(21,486.74)
Finance costs paid	(70.15)	(98.11)
Final Dividend paid	(17.40)	(17.40)
Net cash used in financing activities	102.30	(1,151.14)
D. EXCHANGE RATE DIFFERENCE	(33.29)	63.36
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	66.86	(110.67)
Cash and cash equivalents at the beginning of the Year	99.65	210.32
Cash and cash equivalents at the end of the Year (Refer Note 11)	166.51	99.65

Notes to the statement of cash flows and disclosure of non cash transactions

- The statement of cashflow is prepared in accordance with the format prescribed as per Ind-AS 7.
- In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

As per our attached report of even date

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
Prasol Chemicals Limited

Diwakar Sapre
Partner
Membership No. 040740

Nishith R. Shah
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Notice**Consolidated Statement of Changes in Equity for the year ended March 31, 2025****A. (i) Equity Share Capital as at March 31, 2025:** (₹ in Millions)

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	116.00	-	116.00	-	116.00

A. (ii) Equity Share Capital as at March 31, 2024: (₹ in Millions)

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	116.00	-	116.00	-	116.00

(Refer Note 15)

B. Other Equity**(i) Other Equity as at March 31, 2025:** (₹ in Millions)

Particular	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings Including Other Comprehensive Income	
Balance at March 31, 2024	-	-	-	3,142.35	3,142.35
Profit for the period	-	-	-	435.69	435.69
Gain on Bargain Purchase	0.15				0.27
Other Comprehensive Income	-	-	-	(2.09)	(2.09)
Final Dividend Paid for FY 23-24	-	-	-	(17.40)	(17.40)
Balance at March 31, 2025	0.15	-	-	3,558.55	3,558.70

B. (ii) Other Equity as at March 31, 2024: (₹ in Millions)

Particular	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings Including Other Comprehensive Income	
Balance at March 31, 2023	-	-	-	2,976.17	2,976.17
Profit for the year	-	-	-	181.31	181.31
Other Comprehensive Income	-	-	-	2.27	2.27
Final Dividend Paid for FY 22-23	-	-	-	(17.40)	(17.40)
Balance at March 31, 2024	-	-	-	3,142.35	3,142.35

Statement on Material Accounting Policies and Notes to the Consolidated Financial Statement are an integral part of this Statement of Changes in Equity.

Refer Note 16 for nature and purpose of reserves

See accompanying Notes from 1 to 52 forming part of the Consolidated Financial Statements

As per our attached report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of
Prasol Chemicals Limited

Diwakar Sapre
Partner
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Place: Navi Mumbai
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Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

1. Corporate Information

These Consolidated financials comprise of Prasol Chemicals Limited (formerly known as Prasol Chemicals Private Limited) and its associate company – Prasol Aromatics Private Limited.

Prasol Chemicals Limited is engaged in the Business of Manufacturing and Trading of Speciality Chemicals. The Company's operations are located at Khopoli and Mahad in the state of Maharashtra, India. It has started process to expand operations at its land at Sayakha, Gujarat.

Prasol Aromatics Private Limited is in the process of setting up its manufacturing facilities in the state of Gujarat.

1.1 Basis of Preparation:

The Financial Statements comprise of the Consolidated Balance Sheet of Prasol Chemicals Limited as at March 31, 2025, Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and Material Accounting Policies and other explanatory information with value of investment in associate company being valued at amortised cost together with profit or loss incurred till March 31, 2025.

The Consolidated Financial Statements for the year ended March 31 2025 are prepared under Indian Accounting Standards (Ind-AS).

The Company's presentation and functional currency is Indian rupees. All amounts in these Financial Statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimals and have been presented in Millions.

Authorization of Financial Statements:

The consolidated Financial Statements for the year ended March 31, 2025 were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on June 18, 2025.

Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans where plan assets are measured at fair value.

Use of Estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the year. The management believes that the estimates used in the preparation of consolidated financial statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, impairment of assets, current asset provisions, deferred tax, retirement benefits and provisions.

Information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets -Refer Notes 2.1 to 2.3 and Notes 3 and 4;
- Valuation of Inventories-Refer Notes 2.5 and 9;
- Measurement of Defined Benefit Obligations and actuarial assumptions-Refer Note 41;
- Estimation of current tax expenses and deferred tax - refer Note 39; and
- Provisions and Contingencies-refer Note 35.
- Fair Value of Financial Instruments – Refer Note 2.12

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025****2. Material Accounting Policy Information****2.1 Property, Plant and Equipment****Recognition and measurement**

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment (PPE) are stated at cost, less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Derecognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its continued use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the the Statement of Profit & Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

Depreciation

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions /deductions, as the case may be.

When significant parts of PPE are required to be replaced at intervals, company depreciates them separately based on their specific useful lives.

2.2 Capital Work in Progress

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

2.3 Intangible Assets**Recognition and measurement**

Intangible asset consisting of computer software and product registrations are carried at cost, net of accumulated amortization and accumulated impairment losses, if any.

Derecognition

An Intangible Asset is derecognized upon its disposal or when no future economic benefits are expected from its continued use. Any gain or loss arising on de-recognition of the Intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the asset is derecognized.

Amortisation

Intangible assets are amortised over a period of 5 years on Straight Line Method. The amortization method and estimated useful lives are reviewed at the end of each reporting period and changes if any are accounted in line with revisions to accounting estimates.

2.4 Impairment of Non-Financial Assets

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

amount. The recoverable amount is higher of the Assets or Cash-Generating Units (CGU's) (i) fair value less costs of disposal and (ii) value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. 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 group of assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belong.

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.

Reversal of Impairment of assets

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

2.5 Inventories

Cost of Inventories includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebates and Discounts, if any. Net Realizable Value is the estimated selling price in the ordinary course of business.

Inventories other than Scrap are valued at lower of cost and net realizable Value.

2.6 Leases

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.

As a lessee**(A) Lease Liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised 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.

Subsequent measurement**(A) Lease Liability**

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

While being 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 under lying asset.

Impairment

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.

Short term lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

The Company amortizes cost of the underlying asset over the contractual lease period.

2.7 Revenue

The Company recognises revenue when the same can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from sale of products:

Revenue from sale of products is recognised on satisfaction of performance obligations by the Company on transfer of control of ownership attached to the goods to customers. The revenue is measured at the amount of transaction price net of returns, freight, commission, applicable discounts and allowances offered by the Company as a part of the contract.

Revenue from contracts with customers:

Revenue from contracts with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services (assets) to the customers. The Company recognises revenue over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. Such contracts are generally accounted for as a single performance obligation as it involves integration of goods and services. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

Sales includes transport and other costs recovered separately from the customers.

Discounts, Rebates & Incentive to Customers:

The Company accounts for volume discounts, rebates and pricing incentives to customers based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discount, rebate or incentive. The Company also recognises the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentives and the future outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Company accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to company's inability to make reliable estimates based on the available data at reporting date.

Income from Export incentives

Income from export incentives such as Duty Drawback, RoDTEP etc, are recorded on accrual basis in accordance with the terms of the respective schemes.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

2.8 Foreign Currency Transactions**Monetary Items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation.

Non – Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.9 Provisions, Contingent Liabilities and Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

2.10 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants relating to Property Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

2.11 Fair Value measurement

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 takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company 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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in The Financial Statements are categorised 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 recognised in The Financial Statements on a recurring basis, the Company

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts, Interest Rate Swaps, Currency Options and embedded derivatives in the host contract.

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are carried at fair value. Fair value of Foreign Currency Forward Contracts are determined using the fair value reports provided by bank.

2.12 (a) Financial Assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

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 derecognized (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:
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured at fair value through other comprehensive income (FVTOCI).

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

In case of other assets (listed as above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

2.12(b) Financial Liabilities**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

2.13 Derivative financial instruments

The Company uses derivative financial instruments to manage exposure on account of fluctuation in interest rate and foreign exchange rates on amounts payable and receivable in foreign exchange. Such derivative financial instruments are not recognized in the financial statements. However, the difference between the rate at the end of the year to which the Financial Statements relate to and the rate at the time of maturity of the contract is recognized in Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken through Statement of Profit and Loss.

2.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is



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discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability of at least 12 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 agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

2.15 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the construction or production of a qualifying asset are capitalised during the period of time that is required for the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.16 Employee benefits:

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date.

Defined-contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

Defined-benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment cost. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Other long - term employment benefits

Liability towards other long term employee benefits such as leave encashment is determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognized in the Statement of Profit and Loss.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025****2.17 Taxes on Income****Current and Deferred Tax**

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

2.18 Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Cash and Cash equivalents

For the purpose of presentation in Statement of Cash Flow, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

2.20 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21 Dividend

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.

Recent Amendments

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. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements. On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.



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3. Property, plant and equipment

Particulars	Freehold land	Leasehold land	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Right to use assets	Total
Gross carrying Amount											
As at March 31, 2023	189.76	78.52	486.56	29.42	2,416.76	14.25	59.09	60.45	13.17	4.50	3,352.48
Additions	6.86	-	44.85	-	515.88	1.65	2.69	5.20	4.99	2.34	584.46
Deletions	5.40	-	-	-	23.26	0.27	0.68	1.35	0.79	-	31.75
As at March 31, 2024	191.22	78.52	531.41	29.42	2,909.38	15.63	61.09	64.30	17.38	6.84	3,905.19
Additions	-	2.97	10.82	-	203.22	1.16	0.01	2.22	6.92	-	227.32
Deletions	-	-	-	-	0.79	-	-	0.02	-	-	0.81
As at March 31, 2025	191.22	81.49	542.23	29.42	3,111.81	16.79	61.10	66.50	24.30	6.84	4,131.70
Accumulated Depreciation											
As at March 31, 2023	-	4.48	40.91	1.40	377.79	3.99	7.99	18.58	7.80	0.60	463.54
For the year	-	0.83	17.45	0.50	167.28	1.53	7.21	8.03	3.39	0.48	206.70
Deletions	-	-	-	-	7.68	0.16	0.57	0.80	0.63	-	9.85
As at March 31, 2024	-	5.30	58.37	1.90	537.38	5.36	14.63	25.81	10.56	1.08	660.39
For the year	-	0.84	18.03	0.50	186.42	1.62	7.12	8.70	3.52	0.48	227.23
Deletions	-	-	-	-	0.28	-	-	0.01	-	-	0.29
As at March 31, 2025	-	6.14	76.40	2.40	723.52	6.98	21.75	34.50	14.08	1.56	887.33
Net Carrying amount											
As at March 31, 2024	191.22	73.22	473.04	27.52	2,372.00	10.27	46.46	38.49	6.82	5.76	3,244.80
As at March 31, 2025	191.22	75.35	465.83	27.02	2,388.29	9.81	39.35	32.00	10.22	5.28	3,244.37

(i) All title deeds of immovable property are in the name of the Parent Company.

(ii) The lease term in respect of assets acquired under finance leases and classified under Leasehold Land is within the range of 95 to 99 years.

(iii) For Assets pledged as a security against borrowings, Refer Notes 17 and 20.

(iv) Interest on borrowings have been capitalised ₹ 2.30 Mn (FY 2023-24: ₹ 10.23 Mn).

(v) Salary Expenses have been capitalised ₹ 13.44 Mn (FY 2023-24 : ₹ 16.10 Mn).

(vi) The group has not revalued any items of Property, Plant and Equipment during the current year or previous year.



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(vii) The group has adopted previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly the group has set the Net block as per Previous GAAP as on 1st April, 2020 as the Gross Block under Ind AS. The accumulated depreciation so netted off as on April 01, 2020, is as below.

Particulars	Freehold land	Leasehold land	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Block	139.24	24.79	181.88	25.34	1,704.88	16.22	16.38	27.64	13.46	2,149.83
Add: Reclassification in Gross Block	-	37.74	-	-	-	-	-	-	-	37.74
Less: Accumulated depreciation	-	-	32.49	1.98	431.09	7.41	8.33	11.69	9.77	502.76
Less: Reclassification Accumulated depreciation	-	1.00	-	-	-	-	-	-	-	1.00
Less: Ind AS Adjustment	-	2.81	-	-	-	-	-	-	-	2.81
Net Block	139.24	58.72	149.38	23.36	1,273.79	8.81	8.05	15.95	3.69	1,680.99

3. Capital work in progress

Particulars	Amount
Gross carrying value	
As at March 31, 2023	596.94
Additions	193.86
Capitalised during the year	574.15
As at March 31, 2024	216.65
Additions	224.60
Capitalised during the year	229.08
As at March 31, 2025	212.17



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- (i) Interest on borrowings have been capitalised ₹ 0.45 Mn (FY 2023-24: ₹ 4.51 Mn)
- (ii) Salary Expenses have been capitalised ₹ 16.08 Mn (FY 2023-24: ₹ 7.34 Mn)
- (iii) The Company has revalued items of Capital work in progress during the current year by ₹ 1.63 Mn (FY 2023-24: ₹ 0.74 Mn).
- (iv) Ageing Schedule for Capital-work-in progress for the year ended March 31,2025:

(₹ in Millions)

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	181.36	9.87	11.59	9.35	212.17

Ageing Schedule for Capital-work-in progress for the year ended March 31,2024:

(₹ in Millions)

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	167.21	29.11	11.41	8.92	216.65

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31,2025:

(₹ in Millions)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	1.39	2.30	0.32	4.01
Project 1	-	1.39	1.23	0.32	2.94
Project 2	-	-	1.07	-	1.07
Projects temporarily suspended	-	0.11	-	-	0.11
Project I	-	0.11	-	-	0.11

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31,2024:

(₹ in Millions)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	112.85	-	-	-	112.85
Project 1	20.88	-	-	-	20.88
Project 2	4.06	-	-	-	4.06
Project 3	2.94	-	-	-	2.94
Project 4	1.07	-	-	-	1.07
Project 5	83.90	-	-	-	83.90
Projects temporarily suspended	2.86	-	-	-	2.86
Project I	2.38	-	-	-	2.38
Project II	0.38	-	-	-	0.38
Project III	0.10	-	-	-	0.10



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

4. Other Intangible assets

(₹ in Millions)

Particulars	Computer Software	Product Registration	Total Intangible Assets
Gross Carrying Amount			
As at March 31, 2023	7.23	35.33	42.56
Additions	-	4.10	4.10
Deletions	0.08	-	0.08
As at March 31, 2024	7.15	39.43	46.58
Additions	1.97	1.42	3.39
Deletions	-	-	-
As at March 31, 2025	9.12	40.85	49.97
Accumulated Depreciation			
As at March 31, 2023	5.26	15.90	21.16
For the year	0.27	6.65	6.92
As at March 31, 2024	5.53	22.55	28.08
For the period	0.28	5.25	5.53
As at March 31, 2025	5.81	27.80	33.61
Net Carrying amount			
As at March 31, 2024	1.61	16.88	18.49
As at March 31, 2025	3.31	13.05	16.36

- (i) There are no Intangible assets under development as on March 31, 2025 and March 31, 2024.
- (ii) The Company has not revalued any items of intangible assets during the current year or previous year.
- (iii) The Company has adopted previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly the Company has set the Net block as per Previous GAAP as on 1st April, 2020 as the Gross Block under Ind AS. The accumulated depreciation so netted off as on April 01, 2020, is as below :

(₹ in Millions)

Particulars	Other Intangible Assets
Gross Block	30.40
Less: Accumulated depreciation	9.22
Net Block	21.18

5. Investments

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
- Investment In Subsidiary Company	0.88	0.39
TOTAL	0.88	0.39

Note - Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"

Effective Proportion of ownership (%)

Name of Company and principal place of business	As at March 31, 2025	As at March 31, 2024
Prasol Aromatics Private Limited, Gujarat	100%	34%



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

6. Other Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good – Unsecured		
- Deposit with Banks*	0.54	0.58
- Security Deposits	23.86	15.55
TOTAL	24.40	16.13

*Includes Fixed Deposit of ₹ Nil Mn (FY 2023-24 : ₹ 0.58 Mn) held under lien with banks for the purpose of obtaining Bank Guarantee.

7. Other Non-current Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances *	2.06	9.73
Prepaid Expenses	0.30	0.24
Total	2.36	9.97

Refer Note 36 for Capital Commitments.

Capital Advances Movement*

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances	11.26	9.73
Less : Provision	(9.20)	-
Total	2.06	9.73

Reconciliation/Movement of Provision:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	-	-
Add: Provision during the year	9.20	-
Provision at the end of the year	9.20	-

8. Other Tax Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Tax paid (Net of provisions for tax)	1.41	1.86
Total	1.41	1.86



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9. Inventories

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value)		
Raw Materials	753.04	427.29
Finished Goods	379.40	261.11
Semi Finished Goods	133.57	110.61
Stock - in - Trade	149.56	115.21
Consumable, Stores and Spares	56.81	47.68
Others		
Packing Materials	18.87	17.60
Scrap Stock	-	0.09
Diesel , Steam Coal & Fuel	25.75	18.70
TOTAL	1,517.00	998.29

Footnote:

- The cost of inventories recognised as an expense during the year is ₹ 8.50 Mn (FY 2023-24: ₹ 2.59 Mn) .
- For mode of valuation of inventories refer Note 2.5.
- Raw Materials stock includes Raw Material at Port ₹ 301.91 Mn (FY 2023-24: ₹ 163.53 Mn) and Raw Material in Transit of ₹ 49.40 Mn (FY 2023-24: ₹ 7.51 Mn) .

10. Trade Receivables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables – Considered Good Secured		
- From Related parties	-	-
- From Others	-	-
Trade receivables – Considered Good Unsecured		
- From Related parties	0.15	0.88
- From Others	1,965.30	1,604.62
Less : Expected Credit loss allowance	(0.98)	(2.09)
Trade Receivables – having significant increase in credit risk		
- From Related parties	-	-
- From Others	13.07	-
Less : Expected Credit loss allowance	(4.86)	-
Trade Receivables - Credit Impaired		
- From Others	1.12	-
Less : Expected Credit loss allowance	(1.12)	-
Total	1,972.68	1,603.41



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Trade Receivables ageing schedule as at March 31, 2025

(₹in Millions)

Particulars	Outstanding for following years from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	1,728.64	227.45	4.41	1.65	3.24	0.06	1,965.45
Less : Expected Credit loss allowance	-	-	(0.23)	(0.25)	(0.49)	(0.01)	(0.98)
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	6.04	5.06	1.97	-	13.07
Less : Expected Credit loss allowance	-	-	(0.36)	(2.53)	(1.97)	-	(4.86)
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	1.12	-	1.12
Less : Expected Credit loss allowance	-	-	-	-	(1.12)	-	(1.12)

Trade Receivables ageing schedule as at March 31, 2024

(₹in Millions)

Particulars	Outstanding for following years from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	1,285.11	302.89	9.27	8.62	0.48	-	1,606.37
Less : Expected Credit loss allowance	-	-	(0.73)	(1.29)	(0.07)	-	(2.09)
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
Less : Expected Credit loss allowance	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-



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(ii) Expected credit loss:

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Reconciliation of Credit loss allowance

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	2.09	0.95
Add: Allowance for expected credit loss during the year	4.87	1.14
Expected Credit Loss Allowance at the end of the year	6.96	2.09

11. Cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks in current accounts	166.15	99.59
Cash in hand	0.36	0.06
Cheques, drafts on hand	-	-
Bank Deposits with maturity less than 3 months	-	-
Total	166.51	99.65

12. Bank Balances other than cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank Deposits with original maturity more than 3 months but less than 12 months	0.04	0.03
Margin money deposits (restricted, held as lien against bank guarantees)*	0.70	0.70
Total	0.74	0.73

*Includes Fixed Deposit of ₹ 0.70 Mn (March 31, 2024 : ₹ 0.70 Mn) held under lien with banks for the purpose of obtaining Bank Guarantee.

13. Other Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Derivative Financial Assets	-	1.17
Advance Recoverable in cash or in kind	1.41	1.34
Security Deposits	3.98	4.24
Others	5.63	3.64
Total	11.02	10.39



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

14. Other Current Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Governmental Authorities	23.91	22.15
Advance to Suppliers *	29.14	14.73
Prepaid Expenses	5.31	5.62
IPO Expenses**	3.27	-
Others	0.22	0.31
Total	61.85	42.81

** The group has incurred IPO related expenses in connection to proposed filing of DRHP with SEBI.

Advance to Suppliers*

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to Suppliers	29.64	-
Less : Provision during the year	(0.50)	-
Total	29.14	-

Reconciliation/Movement of Provision:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	-	-
Add: Provision during the year	0.50	-
Provision at the end of the year	0.50	-

15. Equity share capital

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised equity share capital 19,00,00,000 Equity Shares of ₹ 2 each (FY 2023-24: 19,00,00,000 equity shares of ₹ 2 each)	380.00	380.00
Issued, subscribed and paid-up share capital 5,80,00,000 Equity Shares of ₹ 2 each (FY 2023-24: 5,80,00,000 Equity shares of ₹ 2 each)	116.00	116.00
Total	116.00	116.00

(i) Movements in Equity Share Capital

(₹ in Millions)

Particulars	As at March 31, 2025	
	Number of shares	Amount
At the beginning of the year	5,80,00,000	116.00
Issued during the year	-	-
Increase in shares on account of subdivision	-	-
Bonus Shares issued during the year	-	-
Outstanding at the end of the year	5,80,00,000	116.00



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(i) Movements in Equity Share Capital

Particulars	As at March 31, 2024	
	Number of shares	Amount
At the beginning of the year	5,80,00,000	116.00
Issued during the year	-	-
Increase in shares on account of subdivision	-	-
Bonus Shares issued during the year	-	-
Outstanding at the end of the year	5,80,00,000	116.00

(ii) Terms and rights attached to equity shares

1. The group has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.
2. In the event of liquidation of the group, the holders of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

(iii) Shares held by holding Company /Ultimate Holding Company, their Subsidiaries and Associates: Nil

(iv) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2025	
	Number of shares	% of holding
Usha Rajnikant Shah	74,80,000	12.90%
Gaurang Natwarlal Parikh	52,00,000	8.97%
Nishith Rasiklal Dharia	49,80,000	8.59%
Dipti Nalin Parikh	42,00,000	7.24%
Sandhya Nishith Shah	40,20,000	6.93%
Bhisham Kumar Gupta	32,00,000	5.52%

Name of the Shareholder	As at March 31, 2024	
	Number of shares	% of holding
Usha Rajnikant Shah	74,80,000	12.90%
Gaurang Natwarlal Parikh	52,00,000	8.97%
Nishith Rasiklal Dharia	49,80,000	8.59%
Dipti Nalin Parikh	42,00,000	7.24%
Sandhya Nishith Shah	40,20,000	6.93%
Bhisham Kumar Gupta	32,00,000	5.52%

(v) For the 5 years immediately preceding the date at which Balance sheet is prepared

- (a) No shares have been allotted as fully paid up pursuant to contract without payment being received in cash.
- (b) On January 18,2022, the Company issued Bonus shares in the ratio of 3:1. Accordingly 4,35,00,000 bonus shares were issued by capitalising its Free reserves of ₹ 87.00 Mn.
- (c) None of the shares are reserved for issue against contract / commitments for sale of shares or disinvestment.



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(vi) Shares held by Promoters and Promoter group:

Sr. No.	Name	As at March 31, 2025			As at March 31, 2024		
		No. of Shares	% of holding	% of Change	No. of Shares	% of holding	% of Change
1	Nishith Rajnikant Shah	1,00,000	0.17%	0.00%	1,00,000	0.17%	0.00%
2	Gaurang Natwarlal Parikh	52,00,000	8.97%	0.00%	52,00,000	8.97%	0.00%
3	Dhaval Nalin Parikh	18,00,000	3.10%	0.00%	18,00,000	3.10%	0.00%
4	Pankil Nishith Dharia	20,000	0.03%	0.00%	20,000	0.03%	0.00%
5	Sachin Jatin Parikh	20,00,000	3.45%	0.00%	20,00,000	3.45%	0.00%
6	Rakesh Gupta	2,00,000	0.34%	0.00%	2,00,000	0.34%	0.00%
7	Nishith Rasiklal Dharia	49,80,000	8.59%	0.00%	49,80,000	8.59%	0.00%
8	Kunal Tushar Dharia	18,00,000	3.10%	0.00%	18,00,000	3.10%	0.00%
9	Suketu Navinchandra Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
10	Usha Rajnikant Shah	74,80,000	12.90%	0.00%	74,80,000	12.90%	0.00%
11	Dipti Nalin Parikh	42,00,000	7.24%	0.00%	42,00,000	7.24%	0.00%
12	Sandhya Nishith Shah	40,20,000	6.93%	0.00%	40,20,000	6.93%	0.00%
13	Bhisham Kumar Gupta	32,00,000	5.52%	0.00%	32,00,000	5.52%	0.00%
14	Tushar Natverlal Dharia	24,00,000	4.14%	0.00%	24,00,000	4.14%	0.00%
15	Sonal Nishith Dharia	20,79,000	3.58%	0.00%	20,79,000	3.58%	0.00%
16	Nihir Parikh	9,00,000	1.55%	(1.55%)	18,00,000	3.10%	0.00%
17	Chamak Jatin Parikh	13,00,000	2.24%	0.00%	13,00,000	2.24%	0.00%
18	Jatin Narendra Parikh	13,00,000	2.24%	0.00%	13,00,000	2.24%	0.00%
19	Tushar Natverlal Dharia HUF	12,00,000	2.07%	0.00%	12,00,000	2.07%	0.00%
20	Ami Tushar Dharia	10,00,000	1.72%	0.00%	10,00,000	1.72%	0.00%
21	Gaurang Natwarlal Parikh HUF	10,00,000	1.72%	0.00%	10,00,000	1.72%	0.00%
22	Veenu Gupta	10,00,000	1.72%	0.00%	10,00,000	1.72%	0.00%
23	Kinjal Pankil Dharia	8,00,000	1.38%	0.00%	8,00,000	1.38%	0.00%
24	Jignasha J Kantawala	6,00,000	1.03%	0.00%	6,00,000	1.03%	0.00%
25	Anvi Nishith Shah	5,00,000	0.86%	0.00%	5,00,000	0.86%	0.00%
26	Lina Suketu Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
27	Pushpa Navinchandra Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
28	Raksha Bhisham Gupta	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
29	Sheetal Sundeep Parikh*	-	NA	NA	4,00,000	0.69%	0.00%
30	Suhagi Dhaval Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
31	Sundeep Navinchandra Parikh	4,00,000	0.69%	0.00%	4,00,000	0.69%	0.00%
32	Janhavi Nihir Parikh*	-	NA	NA	2,00,000	0.34%	0.00%
33	Shruti Sachin Parikh	2,00,000	0.34%	0.00%	2,00,000	0.34%	0.00%
34	Tanvi Gaurang Parikh	2,00,000	0.34%	0.00%	2,00,000	0.34%	0.00%
35	Riddhi Mihir Kapadia	20,000	0.03%	0.00%	20,000	0.03%	0.00%
36	Sonal Nishith Dharia Family Trust	1,000	0.00%	0.00%	1,000	0.00%	0.00%
37	Mahesh Naranji Thakkar *	7,245	0.01%	NA	-	-	-
38	Asit Rasiklal Dharia *	7,245	0.01%	NA	-	-	-
39	Mira Ravitej Kapadia *	7,825	0.01%	NA	-	-	-
40	Uma Rajan Javeri *	24,170	0.04%	NA	-	-	-
41	Meghna B Gandhi *	7,825	0.01%	NA	-	-	-

* Not applicable mainly in inclusion/ exclusion of the party from the above group.



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16. Other Equity

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Reserves		
Capital Reserve		
Opening Balance	-	-
Add: Recognition of bargain purchase	0.15	-
Add: Recognition of bargain purchase	-	-
Less: Capitalised on issue of Bonus shares	-	-
Closing Balance	0.15	-
Retained Earnings Including Other Comprehensive Income		
Opening Balance	3,142.35	2,976.17
Add/(Less): Other Comprehensive Income (Remeasurement of defined benefit plan)	(2.09)	2.27
Add: Net Profit for the current year	435.69	181.31
Less: Final Dividend	(17.40)	(17.40)
Closing Balance	3,558.55	3,142.35
Total	3,558.70	3,142.35

Nature and Purpose of Reserves

Retained Earnings Including Other Comprehensive Income

Retained earnings are the profits that the group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and actuarial gains/ (losses) on employee benefit obligations.

Note on Dividend

For the year ended March 31, 2025 the group had proposed Final Dividend to Equity Shareholders @ 15% of the face value per share.i.e. ₹ 0.3 per profit share. The same is subject to the approval from the shareholders in the ensuing Annual General Meeting.

17. Long term borrowings

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<u>Secured</u>		
(a) Term loans		
(i) From banks	577.43	653.99
(ii) From Non Banking Financial Company (NBFC)	-	-
Less : Current Maturities of Long Term - Borrowings (Refer Note 20)	(141.62)	(225.62)
Total	435.81	428.37



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(i) Terms of repayment of loans and Nature of security provided for each case separately,

(₹ in Millions)

Sr. No.	Term Loans from Bank	As at March 31, 2025	As at March 31, 2024
1	Term Loan from HDFC Bank, Terms of repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7 to 9.50% pa, date of start of 1st installment starting from Aug 20 and end with Apr 25, however, the same has been fully repaid during the year. Security: Exclusive charge by way of equitable mortgage over the land purchase out of the term loan at village Honad, Khopoli, Dist. Raigad First Charge on the Plant and Machinery at Khopoli funded by HDFC Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705	-	80.00
2	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7 to 9.50% pa, date of start of 1st installment starting from Mar 21 and end with Dec 25, however, the same has been fully repaid during the year. Security: First Charge on the Plant and Machinery at Mahad funded by HDFC Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309	-	35.00
3	Term Loan from Kotak Bank, Terms of repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00 % p.a. (Linked to RBI Repo rate + 2.10%), date of start of 1st installment starting from Jan 23 and end with Dec 27 Security: First charge on the plant and machinery situated at Khopoli funded by Kotak Mahindra Bank Ltd. Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705	82.50	112.50



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(₹ in Millions)

Sr. No.	Term Loans from Bank	As at March 31, 2025	As at March 31, 2024
4	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00% p.a. (Linked to RBI Repo rate + 2.15%), date of start of 1st installment starting from Jan 23 and end with Oct 27 Security: First Charge on the Plant and Machinery at Khopoli funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad. and Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705	74.80	102.00
5	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00% p.a. (Linked to RBI Repo rate + 2.15%), date of start of 1st installment starting from Jan 23 and end with Oct 27 Security: First charge on the plant and machinery situated at Mahad funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309	145.20	198.00
6	Term Loan from HDFC Bank, Terms of Repayment: Monthly in equal Installments payable over a period ranging from 4-5 Years, Rate in the range of 7.80% to 7.95% p.a. (linked to 3 month T bill + 0.95%), date of start of 1st installment starting from March 24 and end with Dec 27 Security: First Charge on the Plant and Machinery at Khopoli & Mahad funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309	94.87	126.49



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(₹ in Millions)

Sr. No.	Term Loans from Bank	As at March 31, 2025	As at March 31, 2024
7	Term Loan from HDFC Bank, Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5-6 Years, Rate in the range of 8.50% p.a. (linked to Repo Rate + 2.25%), date of start of 1st installment staring from June '26 and end with March '31 Security: First Charge on the Plant and Machinery at Khopoli, Mahad & HO funded by HDFC Bank Second Pari Passu Charge by way of hypothecation of Current Assets Second Pari Passu Charge by way of hypothecation of Movable Assets Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309*	180.06	-
	Total Term Loan from Banks and others	577.43	653.99

* Charge under Deed of Hypothecation is not created against this loan (Refer Note 52 c)

18. Deferred tax liabilities (Net)

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Tax effect of items constituting deferred tax liability		
Property Plant and Equipment	290.24	268.46
Derivative Financial Instruments	-	0.21
Tax effect of items constituting deferred tax liability	290.24	268.67
Tax effect of items constituting deferred tax assets		
Provision for employee benefits	(21.98)	(3.92)
Provision and expected credit loss	(4.19)	(0.53)
Derivative Financial Instruments	(1.79)	-
Disallowances	(7.79)	(6.64)
Tax effect of items constituting deferred tax assets	(35.75)	(11.09)
Total	254.49	257.58



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19. Non-current Provisions

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits		
(i) Provision for Gratuity	68.37	-
(ii) Provision for Leave Encashment	7.19	6.18
Total	75.56	6.18

20. Current Borrowings

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<u>Secured</u>		
(a) Loans repayable on demand		
(i) From banks		
Cash Credit	13.59	33.24
Working Capital Demand Loan	419.50	133.45
Packing Credit	-	-
(b) Current maturities of long term borrowings	141.62	225.62
SUB TOTAL (A)	574.71	392.31
<u>UnSecured</u>		
(a) Loans repayable on demand		
(i) From banks	-	-
(ii) From related Parties	-	-
SUB TOTAL (B)	-	-
Total	574.71	392.31

(i) Details of Loans : Secured

(₹ in Millions)

Nature of Loans	As at March 31, 2025	As at March 31, 2024
Cash Credit, & Packing Credit, Security: First Pari Passu charge by way of hypothecation of stocks & book debts & further second Pari Passu charge on Fixed Assets of the Company pertaining to Khopoli Unit and Khairne, Navi Mumbai unit by hypothecation of movable machinery and creating mortgage by way of deposit of title deeds of lands & building.	13.59	33.24
Packing Credit	-	-
Working Capital Demand Loan	419.50	133.45
Total Secured short term borrowings	433.09	166.69



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Disclosure for Stock Statement Submitted to Banks and as per books :

As at March 31, 2025 :

(₹ in Millions)

Quarter	Amount as per books of accounts	Amount as reported in quarterly return statement	Amount of difference	Reason for material discrepancies
1st quarter	1,501.54	1,282.58	218.96	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
2nd quarter	1,803.73	1,506.67	297.06	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
3rd quarter	1,665.41	1,318.02	347.39	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
4th quarter	1,517.00	1,141.18	375.82	Stores & Spares stock, Stock in Transit not considered in Borrower Statement

As at March 31, 2024 :

(₹ in Millions)

Quarter	Amount as per books of accounts	Amount as reported in quarterly return statement	Amount of difference	Reason for material discrepancies
1st quarter	1,487.80	1,181.86	305.94	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
2nd quarter	1,169.36	964.40	204.96	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
3rd quarter	1,144.24	905.91	238.33	Stores & Spares stock, Stock in Transit not considered in Borrower Statement
4th quarter	998.29	752.27	246.02	Stores & Spares stock, Stock in Transit not considered in Borrower Statement

21. Trade Payables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables:		
- (A) Total outstanding Dues to micro and small enterprises	30.33	15.00
- (B) Total outstanding dues of creditors Other than micro and small enterprises *	1,938.36	1,697.61
Total	1,968.69	1,712.61

(i). * includes ₹ 1.00 Mn (March 31, 2024 : ₹ 0.02 Mn) payable to related parties. (Refer Note 46)



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(i) Information required as per Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due and remaining unpaid	32.78	19.92
Interest due and unpaid on the above amount	0.01	1.73
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	2.16	0.69
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	1.93	1.89
Interest accrued and remaining unpaid	9.44	9.67
Amount of further interest remaining due and payable	-	-

(ii) The above is based on the intimation received from its vendors regarding the status under Micro, Small and Medium enterprises development (MSMED Act, 2006), except as stated above. The above information is based on the information compiled by the Group and relied upon by the statutory auditors.

(iii) Outstanding of MSME creditors excludes Creditor for Capital Goods value of which is ₹ 2.45 Mn (March 31, 2024 : ₹ 4.92 Mn,) (Refer Note 22)

Trade Payables Ageing Schedules as at March 31, 2025:

(₹ in Millions)

Particulars	Outstanding for following years from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	23.76	6.57	-	-	-	30.33
(ii) Others	1,719.60	216.10	0.69	0.60	1.37	1,938.36
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade Payables Ageing Schedules as at March 31, 2024:

(₹ in Millions)

Particulars	Outstanding for following years from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3.09	11.91	-	-	-	15.00
(ii) Others	1,537.24	157.80	1.01	0.21	1.35	1,697.61
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

22. Other Current Financial Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Interest accrued but not due on borrowings	4.42	5.02
(b) Creditors for capital items	21.05	29.04
(c) Derivative Financial Liabilities	7.07	0.34
Total	32.54	34.40



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23. Other Current Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Advance from Customers	126.03	105.86
(b) Employees Liabilities	33.58	28.13
(c) Statutory Liabilities	12.04	9.96
Total	171.65	143.95

24. Provisions

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits		
(i) Provision for Gratuity	10.84	8.58
(ii) Provision for Leave Encashment	0.95	0.83
Total	11.79	9.41

25. Current Tax Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income tax	25.66	14.65
Total	25.66	14.65

26. Revenue from operations

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Sale of Products	10,068.32	8,731.86
(b) Revenue from Services		
Job work Sales	14.14	2.09
(c) Other Operating Revenue		
Commission Received	9.43	6.05
Scrap Sale	13.78	15.16
Other Operating Income	19.27	10.49
Total	10,124.94	8,765.65



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27. Other Income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Received	0.49	12.10
Insurance Claim Received	0.43	20.02
Net (Loss)/Gain on foreign currency transaction	-	63.36
Export Incentives	22.17	11.54
Expenses no longer payable written back	3.99	-
Miscellaneous Income	3.26	2.95
Total	30.46	109.97

28. Cost of Materials Consumed

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Raw material consumed		
Opening Stock	427.29	767.43
Add: Purchases	6,186.38	4,647.94
Less: Sales	-	-
Less: Closing Stock	(753.04)	(427.29)
SUBTOTAL (A)	5,860.63	4,988.08
(b) Packing Materials Consumed		
Opening Stock	17.60	22.70
Add: Purchases	216.63	180.84
Less: Sales	-	-
Less: Closing Stock	(18.87)	(17.60)
SUBTOTAL (B)	215.36	185.94
TOTAL	6,075.99	5,174.02

29. Purchase of Traded Goods

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchase of Traded Goods	1,343.12	1,364.94
TOTAL	1,343.12	1,364.94



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30. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Inventories at the end of the year		
Finished Goods	379.40	261.11
Traded Goods	149.56	115.21
Semi Finished Goods	133.57	110.61
Total (a)	662.53	486.93
(b) Inventories at the beginning of the year		
Finished Goods	261.11	218.85
Traded Goods	115.21	90.00
Semi Finished Goods	110.61	117.41
Total (b)	486.93	426.26
(Increase)/Decrease in Inventory	(175.60)	(60.68)

31. Employee Benefit Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salary, Wages and Bonus	321.51	302.05
(b) Contribution to Provident and other funds	83.60	19.51
(c) Staff Welfare expenses	11.88	6.75
Total	416.99	328.31

32. Finance Costs

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest	73.89	102.20
(b) Exchange differences regarded as an adjustment to borrowing costs	3.81	2.01
(c) Other borrowing costs	4.78	4.68
Total	82.48	108.89

33. Depreciation and Amortisation expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of Property, Plant and Equipment	225.92	205.39
Amortization of Intangible Assets	5.53	6.92
Amortization for Right of use assets	0.48	0.48
Amortization of Leasehold land	0.84	0.83
Total	232.77	213.62



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34. Other Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Manufacturing Expenses		
Power and Fuel	546.25	502.73
Water Charges	0.99	0.79
Repairs and Maintenance		
- Machinery	56.28	46.83
- Others	34.61	23.48
Stores and Spares Consumed	86.27	105.58
Labour Charges	73.96	52.12
Other Manufacturing Expenses	225.86	196.92
Selling and Distribution Expenses		
Freight, Handling and Other Sales and Distribution Expenses	276.35	220.30
Commission on Sale	72.42	49.59
Advertisement and Publicity	32.39	28.12
Establishment Expenses		
Rent	0.80	0.87
Rates and Taxes	8.46	4.35
Insurance	14.28	13.44
Communication cost	2.03	1.99
Travelling and Conveyance	17.10	13.57
Repairs and Maintenance - Others	2.27	3.26
Printing and Stationery	0.54	0.31
Legal and Professional Charges	37.08	31.43
Auditor's Remuneration (refer note below)	1.02	1.20
Subscriptions	2.23	1.22
Irrevocable receivables written off	0.56	2.67
Corporate Social Responsibility (Refer Note 37)	14.01	13.56
Administrative expenses	32.77	23.26
Net Loss/(Gain) on foreign currency translation and transaction	33.29	-
Loss/(Profit) on Sales of Fixed Assets / Written Off	0.41	14.93
Provision for Doubtful Debts/Advances (including ECL)	14.56	1.14
Total	1,586.78	1,353.66

Note: Auditors Remuneration

(₹ in Millions)

Auditor's remuneration comprises:	For the year ended March 31, 2025	For the year ended March 31, 2024
As Auditors	0.70	0.70
For Tax Audit	0.15	0.15
For Taxation matters	0.16	0.09
For Certification and other services	0.01	0.26
Total	1.02	1.20

35. Contingent Liabilities

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Claims against the Company not acknowledged as debt		
DRI Mumbai and Ahmedabad	3.62	4.50
Income Tax Liability that may arise in respect of matters in appeal	1.82	0.48
GST liability that may arise in respect of matters in dispute	-	3.55
(b) Guarantees excluding financial guarantees	85.26	46.80
Total	90.70	55.33



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

Note:

- 1) The Group had received various Show Cause cum Demand Notice from DRI Mumbai and Ahmedabad in relation to licences purchased by the Group which were found to be bogus.
- 2) For AY 2018-19 the Group received penalty order during the year following disallowance of R&D expenditure. The Group has preferred an appeal with CIT(A).
- 3) The Group had claimed GST refund for the period July 2017 to September 2021 for which it received summons on 19.01.2022 from DGGI u/s 70 of CGST ACT, 2017. Consequently, the group re-paid the refund amount alongwith interest amount in FY 23-24. However, based on the legal advice received, the group contemplated to file application of refund for the same, and hence shown it as a receivable and corresponding contingent liability in books of account in FY 23-24. However, in the current year, looking at the time and efforts involved, the group charged off the said receivable in the statement of profit & loss.

36. Commitments

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Estimated amount of contracts to be executed on capital account and not provided for (Net off Advances)	35.98	49.61
(b) Letter of Credit Outstanding	341.39	571.05
Total	377.37	620.65

37. Corporate Social Responsibility expenses

Pursuant to the provisions of the Companies Act, 2013, the group is required to spend two percent of the average net profits for the immediately preceeding three financial years towards CSR activities. Details of expenditure incurred towards CSR is as follows:

(₹ in Millions)

Corporate Social Responsibility expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Gross amount required to be spent by the Company during the year	14.01	13.56
(ii) Amount of expenditure incurred,	13.31	13.63
(iii) Shortfall at the end of the year,	0.70	(0.15)
(iv) Total of previous years shortfall	2.99	2.99
(v) Reason for shortfall,	Unspent amount deposited in approved funds	
(vi) Nature of CSR activities	Promotion of Education, Water supply, Medical Expenses and other activities as per Schedule VII	Promotion of Education, Water supply, Medical Expenses and other activities as per Schedule VII
(vii) Details of related party transactions	-	-
(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.	-	-

38. Expenditure on Research and Development

(₹ in Millions)

Expenditure on Research and Development	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital Expenditure	0.64	2.67
Revenue Expenditure	19.17	18.91



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39. Current Tax and Deferred Tax

(a) Amounts recognised in profit and loss and Other Comprehensive Income:

(₹ in Millions)

Details	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense		
Current year Tax	154.32	80.23
Deferred tax expense recognised in Profit and Loss account	(2.38)	73.41
Deferred tax expense recognised in Other Comprehensive Income	(0.70)	0.76
Income tax(excess)/ short provision of earlier years	5.24	0.15
Total Income tax Expense	156.48	154.55

b) Reconciliation between provision of income tax of the Group and amounts computed by applying Statutory Income tax rates to Profit before tax is as follows:

A) Current tax

(₹ in Millions)

Details	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	590.08	338.14
Enacted Tax rates in India	25.17%	25.17%
Tax Expenses	148.51	85.10
Non Deductible Tax expenses	2.91	68.23
Deduction under chapter VI-A	0.52	0.31
Income Tax recognised in respect of earlier years	5.24	0.15
Total Tax expenses recognised in the statement of Profit and Loss	157.17	153.78

B) Deferred Tax :

(₹ in Millions)

Details	For the year ended March 31, 2024	Recognised in Profit and loss (Asset)/ liability	Recognised in Other Comprehensive Income (Asset)/ liability	For the year ended March 31, 2025
Tax effect of items constituting deferred tax Liability :				
Property Plant and Equipment	268.46	(21.78)	-	290.24
Derivative Financial Instruments	0.21	0.21	-	-
Tax effect of items constituting deferred tax assets :				
Provision for employee Benefits	(3.92)	18.76	(0.70)	(21.98)
Provision and expected Credit loss	(0.53)	3.67	-	(4.19)
Derivative Financial Instrument	-	1.79	-	(1.79)
Disallowances	(6.64)	1.15	-	(7.79)
Total	257.58	3.79	(0.70)	254.49



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Details	For the year ended March 31, 2023	Recognised in Profit and loss (Asset)/ liability	Recognised in Other Comprehensive Income (Asset)/ liability	For the year ended March 31, 2024
Tax effect of items constituting deferred tax Liability :				
Property Plant and Equipment	191.62	(76.84)	-	268.46
Derivative Financial Instruments	-	(0.21)		0.21
Tax effect of items constituting deferred tax assets :				
Provision for employee Benefits	(3.22)	(0.06)	0.76	(3.92)
Provision and expected Credit loss	(0.24)	0.29	-	(0.53)
Derivative Financial Instrument	(0.48)	(0.48)	-	-
Disallowances	(4.28)	2.36	-	(6.64)
Total	183.40	(74.94)	0.76	257.58

40. Earnings per share

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit/(Loss) after tax before Exceptional Item	435.69	238.95
Net Profit/(Loss) after tax after Exceptional Item	435.69	181.31
Equity shares at the beginning of the year (nos. of shares)	5,80,00,000	5,80,00,000
Equity shares issued during the year	-	-
Equity shares at the end of the year (nos. of shares)	5,80,00,000	5,80,00,000
Weighted average equity shares for the purpose of calculating basic earnings per share (nos. of shares)	5,80,00,000	5,80,00,000
Weighted average equity shares for the purpose of calculating diluted earnings per share (nos. of shares)	5,80,00,000	5,80,00,000
<u>Before Exceptional Item:</u>		
Earnings per share-basic (face value of ₹ 2 each) (₹)	7.51	4.12
Earnings per share-diluted (face value of ₹ 2 each) (₹)	7.51	4.12
<u>After Exceptional Item:</u>		
Earnings per share-basic (face value of ₹ 2 each) (₹)	7.51	3.13
Earnings per share-diluted (face value of ₹ 2 each) (₹)	7.51	3.13

41. Employee Benefits**I. Details of retirement plans:**

The employees of the Group are members of a state – managed retirement benefit plans namely gratuity fund operated by the Government of India. The Group is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

The Group has recognised the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (Refer Note 31)



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(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Provident & Other Funds	13.60	12.80
Total	13.60	12.80

II. Defined benefit plans

The Group operates funded gratuity plan for qualifying employees. Under the plan, the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service.

No other post retirement benefits are provided to these employees.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at March 31, 2025 and March 31, 2024 by the certified actuarial valuer.

The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.

(A) Movements in present value of defined benefit obligation

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Obligations as at beginning of the year	35.93	31.74
Current service cost	6.39	6.31
Past service cost	62.99	-
Current service contribution- employee	-	-
Interest cost	2.60	2.38
Transfer in	-	-
Plan amendment	-	-
Acquisitions	-	-
Benefits paid	(0.99)	(1.48)
Actuarial (gain)/loss	2.80	(3.02)
Exchange difference	-	-
Present value of defined benefit obligation as at end of the year	109.72	35.93

(B) Movements in the fair value of plan assets

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair value of plan assets at beginning of the year	27.34	26.42
Expected return on plan assets	1.98	1.99
Actual return on plan assets	0.01	0.02
Actuarial gain/(loss) on plan assets	-	-
Contributions by the employer	2.17	0.41
Other adjustments	-	-
Benefits paid	(0.99)	(1.48)
Exchange difference	-	-
Fair value of plan assets as at end of the year	30.51	27.34



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(C) Amount recognized in the balance sheet

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of defined benefit obligation as at end of the year	109.72	35.93
Fair value of plan assets as at end of the year	30.51	27.34
As at year end [Asset/(Liabilities)]	(79.21)	(8.59)

(D) Category of Assets

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	30.51	27.34
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	30.51	27.34

(E) Other Details

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
No of Members in Service	621	485
Per Month Salary For Members in Service	10.84	9.21
Average Expected Future Service in Year	11.00	12.00
Projected Benefit Obligation (PBO) - Total	109.72	35.93
Projected Benefit Obligation (PBO) - Due but Not Paid	-	-
Expected Contribution in the Next year	10.84	9.21



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(F) Net Interest Cost for Current Year

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the year	35.93	31.74
(Fair Value of Plan Assets at the Beginning of the year)	(27.34)	(26.42)
Net Liability/(Asset) at the Beginning	8.59	5.32
Interest Cost	2.60	2.38
(Interest Income)	(1.98)	(1.98)
Net Interest Cost for Current year	0.62	0.40

(G) Amounts recognized in the statement of profit and loss

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	6.39	6.31
Past service cost	62.99	-
Interest cost	0.62	0.40
Expected return on plan assets	-	-
Past service cost	-	-
Net actuarial (gain)/loss recognized in the year	-	-
Total	70.00	6.71

(H) Maturity Analysis of the Benefit Payments*

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
1st Following Year	7.87	2.35
2nd Following Year	7.37	2.55
3rd Following Year	7.09	2.99
4th Following Year	7.57	2.43
5th Following Year	38.90	2.69
Sum of Years 6 To 10	28.17	15.81
Sum of Years 11 and above	114.99	50.57

* These are undiscounted benefits.

(I) Amounts recognised in other comprehensive income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (Gains)/Losses on Obligation For the year	2.80	(3.02)
Return on Plan Assets, Excluding Interest Income	(0.01)	(0.02)
Total	2.79	(3.04)



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(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Administered by Life Insurance Corporation of India	100%	100%
Government of India Securities	-	-
State Government securities	-	-
Special Deposit Scheme	-	-

The Group plan assets in respect of gratuity are funded through the Gratuity Scheme of LIC.

(K) Sensitivity analysis

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
DBO On base assumptions	109.72	35.93
A. Discount Rate		
1. Effect due to 1% increase in discount rate	(7.69)	(2.87)
2. Effect due to 1% decrease in discount rate	8.90	3.33
B. Salary Escalation Rate		
1. Effect due to 1% increase in salary escalation rate	8.70	2.99
2. Effect due to 1% decrease in salary escalation rate	(7.68)	(2.62)
C. Withdrawal Rate		
1. Effect due to 1% increase in withdrawal rate	(0.82)	0.00
2. Effect due to 1% decrease in withdrawal rate	0.92	(0.00)

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.

These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(L) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

i) General assumptions

(₹ in Millions)

Particulars	Gratuity (funded)	Gratuity (funded)
	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate (per annum)	6.78%	7.23%
Rate of return on plan assets	6.78%	7.23%
Withdrawal rate	6.00%	5.15%
Rate of increase in compensation	8.00%	8.00%

- ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2012-14) (Modified) ULT. (FY 2023-24: Life Insurance Corporation of India (2012-14).
- iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to March 31, 2025 is available for encashment on separation from the Group up to a maximum of 45 days.
- iv) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- v) Short term compensated absences have been provided on actual basis.

42. Segment Reporting

The Group operates in a Single segment viz Speciality Chemicals and the operations are largely confined to India. Accordingly, reporting under Ind AS 108 - Segment Reporting is not applicable.

43. Fair Value measurements

Financial Instruments by Category

Carrying values of Financial assets and financial liabilities including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, Trade payables, borrowings of which the fair value is a reasonable approximation of fair value due to their short term nature are disclosed at carrying values.

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial Assets						
(i) Investments	-	-	-	-	-	0.39
(ii) Trade receivables	-	-	1,972.68	-	-	1,603.41
(iii) Cash and cash equivalents	-	-	166.51	-	-	99.65
(iv) Bank Balances other than (iii) above	-	-	0.74	-	-	0.73
(v) Other Financial Assets	-	-	35.42	1.17	-	25.35
Total Financial Assets	-	-	2,175.34	1.17	-	1,729.53
Financial Liabilities						
(i) Borrowings	-	-	1,010.52	-	-	820.68
(ia) Lease Liabilities	-	-	5.28	-	-	5.76
(ii) Trade payables	-	-	1,968.68	-	-	1,712.61
(iii) Other financial liabilities	7.07	-	25.46	0.34	-	34.06
Total Financial Liabilities	7.07	-	3,009.95	0.34	-	2,573.11



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial Assets and Liabilities measured at Fair values - recurring fair value measurements

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets at FVTPL	-	-	-	-	1.17	-
Financial Assets at FVOCI	-	-	-	-	-	-
Total Financial assets	-	-	-	-	1.17	-
Financial Liabilities at FVTPL	-	7.07	-	-	0.34	-
Financial Liabilities at FVOCI	-	-	-	-	-	-
Total Financial Liabilities	-	7.07	-	-	0.34	-

Fair value measurements recognised in the balance sheet:

The above table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There are no transfers between Levels 1 and 2 during the year. The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting year.

44. Financial Risk management

The group's principal financial liabilities comprise of loan from banks and trade payables. The main purpose of these financial liabilities is to raise finance for the Group operations. The Group has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Group financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

The Group board of directors has overall responsibility for the establishment and oversight of the Group risk management framework.

The Group risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Group activities. The Group, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Group risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of director is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.



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The Group enters into derivative contracts with an intention to hedge its foreign exchange price risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss.

A. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and Other receivables

Customer credit is managed by each business unit subject to the Group established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 60 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The carrying amount of following financial assets represents the maximum credit exposure.

The Maximum exposure to credit risk for Trade receivables agewise is as mentioned below:

(₹ in Millions)

Trade receivables	As at March 31, 2025	As at March 31, 2024
Neither past due nor impaired	1,728.64	1,285.11
past due less than 6 months	227.45	302.89
past due 6 months - 1 year	10.46	9.27
past due 1 - 2 years	6.70	8.62
past due 2 - 3 years	6.33	0.48
past due 3 - 5 years	0.06	-
past due more than 5 years	-	-
Total	1,979.64	1,606.38
Less: Loss allowance	6.96	2.09
Net Total	1,972.68	1,604.29

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 Company 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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Following table represent allowance for doubtful debts with the trade receivables over the years:

Reconciliation of Loss allowance provision

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Loss Allowance at the beginning of the year	2.09	0.95
Add: Allowance for Expected Credit loss during the year	4.87	1.14
Add: Allowance for Expected Credit loss during the year specific provision	-	-
Loss Allowance at the end of the year	6.96	2.09



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(ii) Cash and Cash Equivalents and Other Bank balances

The Group maintains exposure in cash and cash equivalents, term deposits with banks and derivative contracts.

The Group held cash and cash equivalents of ₹ 166.51 Mn at March 31, 2025 (March 31, 2024: ₹ 99.65 Mn). Cash and cash equivalents other than actual Cash are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Group.

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired.

B. Market Risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the group seeks to apply hedge accounting to manage volatility in profit or loss.

(i) Currency Risk

The Group is exposed to currency risk on account of its operations in other countries. The functional currency of the Group is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative instruments, i.e, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities. The Group enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

Following is the derivative financial instruments to hedge the foreign exchange rate risk

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade and Other Receivables and payable	867.40	142.46
Hedges available	860.33	143.29
Net exposure to Foreign currency risk	7.07	(0.83)

The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

(₹ in Millions)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	628.21	1,084.04	483.17	922.60
EUR	43.27	31.61	33.42	3.68
CNY	-	102.21	-	76.27
Total	671.48	1,217.86	516.59	1,002.55

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

The following table details the Group sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies of all the companies in the Group. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

(₹ in Millions)

Particulars	As at March 31, 2025		As at March 31, 2024	
	(Increase)	(Decrease)	(Increase)	(Decrease)
Impact on profit before tax				
USD	(22.79)	22.79	(21.97)	21.97
EUR	0.58	(0.58)	1.49	(1.49)
CNY	(5.11)	5.11	(3.81)	3.81
Total	(27.32)	27.32	(24.29)	24.29

(ii) Interest rate Risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group cash flows as well as costs. The Group also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

Interest rate sensitivity analysis:

As at March 31, 2025, March 31, 2024 financial liability of ₹ 3,017.04 Mn and ₹ 2,573.44 Mn respectively, were subject to variable interest rates. Increase/decrease of 25 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of ₹ 7.54 Mn, ₹ 6.43 Mn for the year ended March 31, 2025 and March 31, 2024 respectively.

The risk sensitivity estimates provided are based on the assumption that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact if any is indicated on the profit/(loss) before tax basis).

(iii) Liquidity Risk:

The Group follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Group has a overdraft facility with banks to support any temporary funding requirements.

The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

Liquidity table:

The following tables detail the Group remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

(₹ in Millions)

Particulars	As at March 31, 2025			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	574.71	399.80	36.01	1,010.52
Lease Liabilities	0.48	2.40	2.40	5.28
Trade and other payables	1,968.68	-	-	1,968.68
Other financial liabilities	32.54	-	-	32.54
Total financial liabilities	2,576.41	402.20	38.41	3,017.02

(₹ in Millions)

Particulars	As at March 31, 2024			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	392.31	428.37	-	820.68
Lease Liabilities	0.48	2.40	2.88	5.76
Trade and other payables	1,712.61	-	-	1,712.61
Other financial liabilities	34.40	-	-	34.40
Total financial liabilities	2,139.80	430.77	2.88	2,573.45

Equity price sensitivity analysis:

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

C. Capital Management

For the purpose of Group Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the shareholders value. The Group funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

The Net Gearing Ratio at the end of the reporting year was as follows:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Debts	1,010.52	820.68
Cash and Cash Equivalents	166.51	99.65
Net Debts (A)	844.02	721.03
Total Equity (As per Balance Sheet) (B)	3,674.70	3,258.35
Net Gearing (A/B)	0.23	0.22

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025**

45. In FY 2023-24, expenditure of ₹ 57.64 Mn in connection with the IPO, which was proposed to be launched, was charged to the Statement of Profit and Loss and included as an Exceptional Item as proposal approved by SEBI had expired by then.

46. **Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015:**

A. List of Related Parties with whom Company had transaction or balances during the year are as follows:

a) Subsidiary Company

- 1) Prasol Aromatics Private Limited -Wholly owned subsidiary (Associate till January 23,2025)

b) Key Management Personnel

Directors

- 1) Nishith R. Shah- Executive Director
- 2) Gaurang N. Parikh- Executive Director
- 3) Dhaval N. Parikh- Executive Director
- 4) Pankil N. Dharia- Executive Director

Key Management Personnel

- 1) Rahul A Shroff- Chief Financial Officer & President Fiance(w.e.f. July 04, 2023)(Also a relative of KMP)
- 2) Hitesh Sheth-Chief Financial Officer (upto July 04, 2023)
- 3) Kiran Agrawal- Company Secretary

Independent Directors

- 1) Srinivasan S.-Independent Director
- 2) G.Ramakrishnan-Independent Director
- 3) Lakshmi Kantam M.-Independent Director
- 4) Ajay M Jain -Independent Director (Resigned w.e.f. April 01,2024) (Appointed w.e.f. December 18,2024)

c) Relatives of Key Management Personnel/ Promoters:

- 1) Sandhya Nishith Shah
- 2) Jignasha Kantawala

d) Enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise

- 1) Maxima FRP Product

e) Enterprises over which any person described in (b) is able to exercise control

- 1) Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)
- 2) Galaxy Chemicals (Firm)

f) Enterprises over which any person described in (c) is able to exercise control

- 1) Heat Fabs (Firm)
- 2) Heatreaters & Engineers (Firm)
- 3) Wiyo Travel (Firm)



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List of transaction with related party done during year ended March 31st 2025

Sr. No.	Nature of Transaction	Name of the Party	Financial Year	Subsidiary Company (a)	Key Management personnel(b)	Relatives of Key Management personnel(c)	Entities where control exists(d)	Enterprise over which KMP has control(e)	Enterprise over which relative of KMP has control(f)	Total
1	Sale of Finished Goods		2024-25	-	-	-	0.25	-	-	0.25
			2023-24	-	-	-	0.32	0.53	-	0.85
		Maxima FRP Product	2024-25	-	-	-	0.25	-	-	0.25
		Galaxy Chemicals (Firm)	2023-24	-	-	-	0.32	-	-	0.32
2	Purchase of Stores & Consumables		2024-25	-	-	-	-	0.53	-	0.53
			2023-24	-	-	-	-	-	4.57	4.57
		Heat Fabs (Firm)	2024-25	-	-	-	-	-	4.48	4.48
		Heatreaters & Engineers (Firm)	2023-24	-	-	-	-	-	0.32	0.32
3	Purchase of MEIS and ROTDEP License		2024-25	-	-	-	-	-	0.09	0.09
			2023-24	-	-	-	-	-	-	-
		Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)	2024-25	-	-	-	-	0.48	-	0.48
			2023-24	-	-	-	-	0.38	-	0.38
4	Purchase Equipments, including freight thereon		2024-25	-	-	-	-	0.48	-	0.48
			2023-24	-	-	-	-	0.38	-	0.38
		Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)	2024-25	-	-	-	-	8.75	-	8.75
			2023-24	-	-	-	-	8.75	-	8.75
5	Interest Paid		2024-25	-	0.79	-	-	-	-	0.79
			2023-24	-	1.60	-	-	-	-	1.60
		Nishith R Shah	2024-25	-	0.79	-	-	-	-	0.79
			2023-24	-	1.60	-	-	-	-	1.60



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(₹ in Millions)											
Sr. No.	Nature of Transaction	Name of the Party	Financial Year	Subsidiary Company (a)	Key Management personnel(b)	Relatives of Key Management personnel(c)	Entities where control exists(d)	Enterprise over which KMP has control(e)	Enterprise over which relative of KMP has control(f)	Total	
6	Director Sitting Fees		2024-25	-	1.10	-	-	-	-	1.10	
			2023-24	-	1.14	-	-	-	-	1.14	
		G.Ramakrishnan	2024-25	-	0.34	-	-	-	-	-	0.34
			2023-24	-	0.31	-	-	-	-	-	0.31
		Ajay M jain	2024-25	-	0.12	-	-	-	-	-	0.12
			2023-24	-	0.31	-	-	-	-	-	0.31
		Lakshmi Kantam M.	2024-25	-	0.31	-	-	-	-	-	0.31
			2023-24	-	0.21	-	-	-	-	-	0.21
7	Directors Remuneration	Srinivasan S.	2024-25	-	0.34	-	-	-	-	0.34	
			2023-24	-	0.31	-	-	-	-	-	0.31
			2024-25	-	140.13	-	-	-	-	-	140.13
			2023-24	-	68.60	-	-	-	-	-	68.60
		Dhaval N Parikh	2024-25	-	25.62	-	-	-	-	-	25.62
			2023-24	-	14.31	-	-	-	-	-	14.31
		Gaurang N Parikh	2024-25	-	38.35	-	-	-	-	-	38.35
			2023-24	-	18.90	-	-	-	-	-	18.90
9	Salary Paid	Nishith R Shah	2024-25	-	61.72	-	-	-	-	-	61.72
			2023-24	-	26.73	-	-	-	-	-	26.73
		Pankil N Dharía	2024-25	-	14.44	-	-	-	-	-	14.44
			2023-24	-	8.66	-	-	-	-	-	8.66
			2024-25	-	8.53	-	-	-	-	-	8.53
			2023-24	-	8.74	0.63	-	-	-	-	9.37
		Hitesh Sheth	2024-25	-	-	-	-	-	-	-	-
			2023-24	-	2.22	-	-	-	-	-	2.22
		Rahul A Shroff	2024-25	-	7.18	-	-	-	-	-	7.18
			2023-24	-	5.28	0.63	-	-	-	-	5.91
		Kiran Agrawal	2024-25	-	1.36	-	-	-	-	-	1.36
			2023-24	-	1.24	-	-	-	-	-	1.24
			2024-25	-	-	-	-	-	-	-	-
			2023-24	-	-	-	-	-	-	-	-
			2024-25	-	-	-	-	-	-	-	-
			2023-24	-	-	-	-	-	-	-	-



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10	Vehicle hire charges	Wiyoyo Travel (Firm)	2024-25	-	-	-	-	-	3.28	3.28
			2023-24	-	-	-	-	-	1.52	1.52
			2024-25	-	-	-	-	-	3.28	3.28
			2023-24	-	-	-	-	-	1.52	1.52
11	Loan Taken		2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	19.00	-	-	-	-	19.00
		Nishith R Shah	2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	19.00	-	-	-	-	19.00
12	Loan Repaid	Nishith R Shah	2024-25	-	20.00	-	-	-	-	20.00
			2023-24	-	-	-	-	-	-	-
			2024-25	-	5.98	-	-	-	-	5.98
			2023-24	-	5.84	-	-	-	-	5.84
13	Remuneration Payable (Directors)	Dhaval N Parikh	2024-25	-	1.29	-	-	-	-	1.29
			2023-24	-	1.29	-	-	-	-	1.29
		Gaurang N Parikh	2024-25	-	1.59	-	-	-	-	1.59
			2023-24	-	1.59	-	-	-	-	1.59
		Nishith R Shah	2024-25	-	2.17	-	-	-	-	2.17
			2023-24	-	2.17	-	-	-	-	2.17
		Pankil N Dharia	2024-25	-	0.93	-	-	-	-	0.93
			2023-24	-	0.80	-	-	-	-	0.80



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Sr. No.	Nature of Transaction	Name of the Party	Financial Year	Subsidiary Company (a)	Key Management personnel(b)	Relatives of Key Management personnel(c)	Entities where control exists(d)	Enterprise over which KMP has control(e)	Enterprise over which relative of KMP has control(f)	Total	
14	Outstanding Debit Balance	Maxima FRP Product	2024-25	-	-	-	0.15	-	-	0.15	
			2023-24	-	-	-	0.25	0.63	-	0.88	
			2024-25	-	-	-	0.15	-	-	0.15	
15	Outstanding Credit balance	Galaxy Chemicals (Firm)	2023-24	-	-	-	0.25	-	-	0.25	
			2024-25	-	-	-	-	-	-	-	
		Heat Fabs (Firm)	2023-24	-	-	-	-	0.63	-	0.63	0.63
			2024-25	-	0.10	-	-	-	-	1.00	1.10
		Wiyo Travel (Firm)	2023-24	-	0.63	-	-	-	-	0.02	0.65
			2024-25	-	-	-	-	-	-	0.85	0.85
		Rahul A Shroff	2023-24	-	-	-	-	-	-	-	-
			2024-25	-	-	-	-	-	-	0.15	0.15
		Kiran Agrawal	2023-24	-	0.56	-	-	-	-	0.02	0.02
			2024-25	-	0.53	-	-	-	-	-	-
			2023-24	-	0.10	-	-	-	-	0.10	
			2023-24	-	0.09	-	-	-	-	0.09	



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

47. Disclosure in terms of Ind AS 115

Revenue from Contract with customers :

i.) Revenue from contracts with customers :

(₹ in Millions)

Particulars	As at March 31,2025	As at March 31,2024
Revenue recognised at point in time	10,082.47	8,733.95
Revenue recognised over time	-	-
Total revenue from contracts with customers under Ind AS 115	10,082.47	8,733.95
Other operating revenue	42.48	31.70
Total revenue from operation	10,124.95	8,765.66

i. a) Reconciliation of revenue from contract price with customer is as follows:

(₹ in Millions)

Particulars	As at March 31,2025	As at March 31,2024
Revenue as per contract price with customer	10,141.96	8,780.04
Less: - Adjustments towards discounts, rebates, incentives etc	17.01	14.39
Revenue as recognised in the financial statmenents	10,124.95	8,765.66

ii.) Disaggregated revenue

The chief operating 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. Operating segments have been identified on the basis of nature of products / service.

(₹ in Millions)

Particulars	As at March 31,2025	As at March 31,2024
Within India	7,255.03	6,546.46
Outside India	2,869.92	2,219.19
Total	10,124.95	8,765.66

iii.) Sales by performance obligation

(₹ in Millions)

Particulars	As at March 31,2025	As at March 31,2024
Upon shipment	10,124.95	8,765.66

iv.) Movement of contract asset and contract liabilities

Particulars	As at March 31,2025	As at March 31,2024
A) Contract liabilities :		
Advances from customers		
Balance as at the beginning of the year	105.86	40.27
Add: addition during the year	126.03	105.86
Less: transferred to receivable	105.86	40.27
Balance as at the end of the year	126.03	105.86

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025****v.) Remaining performance obligations**

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less. Hence, the group has applied practical expedient as per para 121 of the Ind AS 115 in regards to remaining performance obligations.

48. Disclosure in terms of Ind AS 116**As Lessee**

The following table sets out a maturity analysis of lease payments, showing undiscounted lease payments to be paid after the reporting year.

1. Amounts recognised in Balance sheet and Profit and loss Account

(₹ in Millions)

Particulars	As at March 31,2025	As at March 31,2024
Right to use Assets and Leasehold land :		
Addition during the year	2.97	2.34
Amortization for the year	1.32	1.31
Carrying amount	80.63	78.98
Lease Liability		
Non Current	4.80	5.28
Current	0.48	0.48
Cash Outflow for Lease:		
Lease payment	0.48	0.48

2. Maturity analysis of lease liabilities

(₹ in Millions)

Particulars	As at March 31,2025	As at March 31,2024
Less than one year	0.48	0.48
One to Five years	2.40	2.40
More than Five years	2.40	2.88

49. Following Ratios to be disclosed

Sr. no.	Ratio	Numerator	Denominator	FY 24-25	FY 23-24	Variance %	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	1.34	1.19	12.15%	*
2	Debt-Equity Ratio	Total Debt	Total Equity	0.27	0.25	9.18%	*
3	Debt Service Coverage Ratio	Earnings Available for debt service	Debt service	1.54	1.23	25.28%	The ratio has improved due to increase in net profit after taxes.
4	Return on Equity Ratio	Net profit after taxes	Average shareholders equity	12.57%	5.71%	120.04%	The ratio has improved due to increase in net profit after taxes.
5	Inventory turnover Ratio	Cost of good sold	[(Opening Inventory+ Closing Inventory)/2]	5.75	5.62	2.26%	*



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Sr. no.	Ratio	Numerator	Denominator	FY 24-25	FY 23-24	Variance %	Reason for Variance
6	Trade Receivables turnover Ratio	Turnover	[(Opening Recivables + Closing Recivables)/2]	5.66	5.34	6.01%	*
7	Trade payables turnover Ratio	Purchase	[(Opening payable + Closing payable)/2]	4.21	3.71	13.32%	*
8	Net capital turnover Ratio	Net Sales	Working Capital	10.72	19.59	-45.26%	The ratio has decreased due to increase in working capital.
9	Net profit Ratio	Net profit after tax	Net sales	4.30%	2.07%	108.03%	The ratio has improved due to increase in Revenue and absence of exceptional items.
10	Return on Capital employed	Earnings before interest & Taxes	Capital Employed	13.50%	10.08%	33.86%	The ratio has improved due to increase in net profit after taxes.

*As per the guidance note issued by The Institute of Chartered Accountant of India the Group is not required to give an explanation for changes in ratios that are less than 25% compared to the preceding year.



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50 Statement of Net Assets & Profit or Loss attributable to Owners & Non Controlling Interest :

a) For the year ended March 31, 2025:

Statement of net assets & profit or loss attributable to owners & minority interest

(₹ in Millions)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
Prasol Chemicals Limited	100.00%	3674.70	100.01%	435.72	100.00%	(2.09)	100.01%	433.63
Subsidiary (Investment as per the equity method)								
Indian								
Prasol Aromatics Private Limited	0.00%	0.00	-0.26%	(1.15)	0.00%	0.00	-0.27%	(1.15)
Consolidation adjustments / eliminations								
	0.00%	(0.00)	0.26%	1.12	0.00%	0.00	0.00%	0.00
Total	100.00%	3674.70	100.00%	435.69	100.00%	(2.09)	100.00%	433.59



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b) For the year ended March 31, 2024:

Statement of net assets & profit or loss attributable to owners & minority interest

(₹ in Millions)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
Prasol Chemicals Limited	100.00%	3258.47	100.07%	181.43	100.00%	2.27	100.07%	183.71
Associate (investment as per the equity method)								
Indian								
Prasol Aromatics Private Limited	0.01%	0.39	-0.07%	(0.12)	0.00%	0.00	-0.07%	(0.12)
Consolidation adjustments / eliminations								
	-0.02%	(0.51)	0.00%	0.00	0.00%	0.00	0.00%	0.00
Total	100.00%	3258.35	100.00%	181.31	100.00%	2.27	100.00%	183.59

51. Additional Disclosures :

- i) The Group has neither advanced any loans nor invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group Ultimate Beneficiaries
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:



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

52. Other Disclosures

- a. The Group does not have any proceedings which have been initiated or pending against the Company for holding any Benami property;
- b. The Group does not have any transactions with struck off companies;
- c. The charge creation for HDFC Bank for Deed of Hypothecation is in progress and will get completed in due course.
- d. The Group has neither traded or invested, nor holds Crypto currency or Virtual Currency during the year;
- e. During the year, there were no instances of surrender or disclosure of income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)
- f. The Group is not declared as willful defaulter by any bank or financial Institution or other lender.
- g. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961W/W-100036

For and on behalf of the Board of Directors of

Prasol Chemicals Limited

Diwakar Sapre

Partner

Membership No. 040740

Nishith R. Shah

Chairman and Whole Time Director

DIN:00381267

Gaurang N. Parikh

Managing Director

DIN:00190701

Place: Navi Mumbai

Date: 18-06-2025

Rahul A. Shroff

Chief Financial Officer & President Finance

Kiran Agrawal

Company Secretary

Place: Navi Mumbai

Date: 18-06-2025



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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF PRASOL CHEMICALS LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 17, 2025 AT 3.30 PM (IST) AT PRASOL HOUSE, PLOT NO. A-17/2/3, T.T.C. INDUSTRIAL AREA, KHAIRNE MIDC, NAVI MUMBAI, THANE – 400 710 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the Report of the Board of Directors' and the Auditors' thereon and the Consolidated Audited Financial Statements for the Financial Year ended March 31, 2025 together with the Report of the Auditors thereon.
2. To declare Final dividend of ₹ 0.30 per equity share of the face value of ₹ 2 each for the Financial Year ended March 31, 2025.
3. To appoint director in place of Mr. Gaurang Parikh (DIN: 00190701), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. RATIFY REMUNERATION OF COST AUDITOR FOR THE FINANCIAL YEAR ENDING MARCH 31, 2026

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

“RESOLVED THAT pursuant to the provisions of 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(s) thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee, the remuneration payable to Mr. Rajesh Soni, Cost Accountant (Membership No. 12107), appointed by the Board of Directors as Cost Auditor, to conduct the audit of cost records of the Company for the Financial Year ending March 31, 2026 at a remuneration of ₹ 90,000 (Rupees Ninety Thousand Only) (excluding Taxes plus out of pocket expenses at actual) be and is hereby ratified;

RESOLVED FURTHER THAT the Board of Directors and/or the Key Managerial Personnel and /or any other person authorized by the Board of Directors of the Company, be and are hereby authorized to do all acts, deeds, things, matters and take all such steps, as it may, in its absolute discretion, deem necessary, proper or expedient to give effect to this resolution.”

5. APPOINTMENT OF INDEPENDENT DIRECTOR

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

“RESOLVED THAT Mr. Narayanan Pulkhool Nair (DIN: 11124568) who was appointed as an Additional Director (Non-Executive Independent Director) of the Company by the Board of Directors with effect from June 18, 2025 upon recommendation of the Nomination and Remuneration Committee, and who holds the office up to the date of ensuing Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made thereof for the time being in force), and who is eligible for appointment be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulation 17(1A) and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made thereof for the time being in force), and pursuant to provisions of the Articles of Association of the Company, the appointment of Mr. Narayanan Pulkhool Nair (DIN: 11124568),



who meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder, and Regulation 16(1)(b) of Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years w.e.f. June 18, 2025 up to June 17, 2030 (both days inclusive);

RESOLVED FURTHER THAT the Board of Directors (including duly constituted Committee, if any) be and are hereby authorized severally to take such steps and do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the foregoing resolution."

6. APPOINTMENT OF WHOLE-TIME DIRECTOR

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

"RESOLVED THAT Mr. Rakesh Shivaji Jadhav (DIN:07508734) (herein after referred to as Mr. Rakesh Jadhav) who was appointed as an Additional Director (Whole-time Director – EHS, Governance & Business Process) of the Company by the Board of Directors with effect from June 18, 2025 upon recommendation of the Nomination and Remuneration Committee, and who holds the office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made thereof for the time being in force), and who is eligible for appointment be and is hereby appointed as a Director (Whole-time Director – EHS, Governance & Business Process) of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Regulation as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") and the Articles of Association of the company and on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals as may be necessary, the consent of the Company be and is hereby accorded for the appointment of Mr. Rakesh Jadhav (DIN:07508734) who is eligible to be appointed and has submitted a declaration to that effect be and is hereby appointed as Whole-time Director – EHS, Governance & Business Process of the Company, for a period of 3 years commencing from June 18, 2025 to June 17, 2028 (liable to retire by rotation) at a remuneration as set out hereunder including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, as set out below which may be in excess to 5% of the net profit of the Company computed in the manner stipulated in Section 198 of the Act:

- a. Remuneration: salary upto ₹ 1,00,00,000 (Rupees One Crore) per annum
- b. Medical reimbursement, Company Car and other perquisites/benefits as per the Company policies
- c. Gratuity payment as per the Company policy

RESOLVED FURTHER THAT notwithstanding anything contained herein, where in any financial year during the aforesaid period, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Rakesh Jadhav, Whole-time Director – EHS, Governance & Business Process remuneration including perquisites etc upto the limit as approved by the members herein above as the minimum remuneration;

RESOLVED FURTHER THAT the approval of the members of the Company be and is hereby accorded for payment of aforesaid remuneration even if due to the above payment the total managerial remuneration is in excess to the over-all limit specified in Section 197 of the Act for the respective year;

RESOLVED FURTHER THAT the Board shall have the discretion and authority to increase, alter, vary and / or modify the aforesaid terms and remuneration without further reference to the Members, the terms and conditions of the said appointment including remuneration, in such manner, as may be agreed to between the Board of Directors and Mr. Rakesh Jadhav;



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RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Rakesh Jadhav be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law;

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which shall be deemed to include the Nomination & remuneration Committee of the Board) to revise/ alter/ modify/ amend/ change the terms and conditions as may be agreed to by the Board and Mr. Rakesh Jadhav within the applicable provisions of the Companies Act, 2013 and / or rules made thereunder;

RESOLVED FURTHER THAT the Board of Directors (including duly constituted Committee, if any) be and are hereby authorized severally to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, if any, in relation to the above and to settle all matters arising out of and incidental thereto and to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the foregoing Resolution."

Registered Office:

Prasol House, Plot No. A -17/2/3,

T.T.C. Industrial Area,

Khairne MIDC, Navi Mumbai,

Thane – 400 710

CIN: U99999MH1992PLC065026

Email: investorservices@prasolchem.com

Place: Navi Mumbai

Date: June 18, 2025

By Order of the Board of Directors

For Prasol Chemicals Limited

CIN U99999MH1992PLC065026

Kiran Agrawal

Company Secretary

ACS 13188

**NOTES**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business under Item No. 4 to 6 as set out in the notice annexed hereto.
2. Corporate members intending to appoint their authorized representatives to attend and vote at the meeting are requested to send to the Company a duly certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting. The representatives of corporate members without proper authorization, may not be able to attend the meeting.
3. Members are requested to immediately intimate changes, if any, in their registered addresses along with the pin code number to the company.

PROXY

4. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies should be deposited at the registered office of the Company not less than 48 hours before the date of the Annual General Meeting (Hereinafter referred to as "AGM").
5. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10 % percent of the total share capital of the Company.
6. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
7. In case of joint holders, the signature of any one holder on proxy form will be sufficient but names of all the joint holders should be stated.

DIVIDEND

8. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, September 11, 2025 to Wednesday, September 17, 2025 (both days inclusive) for the purpose of determining the members who shall be entitled to receive dividend for the financial year 2024-25 if approved by the Shareholders at the Annual General Meeting.
 - i. The dividend as recommended by the Board of Directors, if approved at the AGM, will be paid subject to deduction of tax at source within a period of 30 days from the date of declaration as under:
 - a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Wednesday, September 10, 2025.
 - b) To all Members in respect of the shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Wednesday, September 10, 2025.
 - ii. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend Warrants / Demand Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.
 - iii. To avoid loss of Dividend Warrants/Demand Drafts in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH).
 - iv. Shareholders are requested to register e-mail address and bank details as under:
 - Registration of email address for Demat shareholders:
It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.



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- Registration of Bank Details for Demat shareholders:

Members holding shares in electronic forms 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 Registrars cannot act on any request received directly from Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are advised only to the respective Depository Participant of the Members

9. Communication in respect of deduction of tax at source on Dividend payout for all Shareholders:
 - i. Dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the Income Tax Act, 1961. In general, no tax will be deducted on payment of dividend to category of members who are resident individuals (with valid PAN details updated in their folio/client ID records) and the total dividend amount payable to them does not exceed ₹5,000. Members not falling in the said category, can go through the detailed note with regard to applicability of tax rates for various other categories of members and the documents that need to be submitted for nil or lower tax rate, which has been provided on the Registrar and Transfer Agent's website at <https://ris.kfintech.com/form15/forms.aspx?q=0>
 - ii. 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"). Further, 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/claimants are requested to claim their dividends from the Company within the stipulated timeline.
 - iii. Please note that the upload of documents (duly completed and signed) on the website of KFin Technologies Limited should be done on or before Record date for the dividend in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. All communication received upto Saturday, 30th August, 2025 at 06:00 P.M. on the tax determination/ deduction shall be considered for the dividend.
 - iv. Shareholders may note that in case the tax on said Final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against Company for any taxes deducted by the Company.
 - v. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings.
 - vi. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

INSTRUCTIONS FOR MEMBERS

10. Pursuant to provision of Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, MCA Circulars and SEBI Circular, Notice of the Annual General Meeting along with the Annual Report is being sent through electronic mode to those members whose email addresses are registered with the Company/depositories.
11. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective depository participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better services to the members.
12. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Notice duly filled in and signed and handover the same at the entrance of venue of the meeting.



13. Members are requested to send in their queries at least a week in advance to the Company Secretary at investorservices@prasolchem.com to facilitate clarifications during the meeting.
14. Pursuant to Secretarial Standard 2 ("SS-2") on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the meeting venue showing the prominent landmark is provided at the end of the Notice.

INSPECTION OF DOCUMENTS

15. The documents referred to in the resolutions can be inspected at the registered office of the Company at Navi Mumbai between 2 p.m. to 5 p.m. on all working days of the Company up to the conclusion of the Annual General Meeting. The aforesaid documents will also be available for inspection by members at the Annual General Meeting.
16. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members up to the conclusion of the Annual General Meeting.

The register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members up to the conclusion of the Annual General Meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts relating to the Special Business mentioned in the Notice:

ITEM NO. 4

Pursuant to the recommendation of the Audit Committee, the Board has approved the appointment and remuneration of Mr. Rajesh Soni, Cost Accountant (Membership No. 12107), as Cost Auditor to conduct the audit of the cost accounting records maintained by the Company for the Financial Year ending March 31, 2026 at a remuneration of ₹ 90,000 (Rupees Ninety Thousand Only) (excluding Taxes plus out of pocket expenses at actual).

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 Auditor as recommended by the Audit Committee and approved by the Board, is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing of an Ordinary Resolution as set out at Item No.4 of the notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2026.

Pursuant to the recommendation of the Audit Committee, the Board of Directors recommends the passing of the Ordinary Resolution as set out in Item No. 4 of the accompanying Notice for the approval of the members.

None of the Directors, Managers, Key Managerial Personnel of the Company and their respective relatives is or are in any way concerned or interested, financially or otherwise in the Special Resolution set out in Item No.5 of the Notice.

ITEM NO. 5

To ensure proper composition of the Board of Directors, Company needs to re-constitute its Board, this will ensure compliance with the provisions of the Companies Act, 2013, as amended and the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable law(s) prior to filing of the Draft Red Herring Prospectus with the Securities and Exchange Board of India.

Subject to approval of the members, The Board of Directors at its meeting held on June 18, 2025 appointed, Mr. Narayanan Pulukhool Nair (DIN: 11124568) as an Additional Director (Non-Executive Independent Director) for a term of 5 consecutive years with effect from June 18, 2025 up to June 17, 2030 (both days inclusive), and the terms of appointment shall be in accordance with the appointment letter dated 18th June 2025 in terms of the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



PRASOL

PRASOL CHEMICALS LIMITED
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Pursuant to the Ministry of Corporate Affairs notification dated October 22, 2019, Mr. Narayanan Pulukhool Nair has successfully registered his name in the databank maintained by the Indian Institute of Corporate Affairs, in accordance with the requirements of law.

The Company has received from Mr. Narayanan Pulukhool Nair:

- (i) a consent in writing to act as a Director pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014
- (ii) an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Mr. Narayanan Pulukhool Nair is not debarred from holding the office of Director pursuant to any order of Securities and Exchange Board of India or any other such authority.

The Board of Directors, based on the declaration received from Mr. Narayanan Pulukhool Nair, confirms that he fulfils the conditions of independence specified in the SEBI LODR Regulations and the Companies Act, 2013 and is Independent of the Management.

All the documents referred to at Item No. 5 of the Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company.

The terms and conditions of appointment of Mr. Narayanan Pulukhool Nair as Non-Executive Independent Director are also posted on the website of the Company at www.prasolchem.com

Mr. Narayanan Pulukhool Nair's brief profile is given hereunder:

He is M.Com from the University of Osmania, India and Diploma in Materials Management from IIMM, Mumbai

He has more than 27 years of industry experience in Chemical Industry and has worked with eminent industries like Ranbaxy Laboratories Ltd., Gharda Chemicals Ltd, Makhteshim Agan India Ltd, SD Fine Chem Private Ltd.

He has diversified experience in Purchase, Supply-Chain, International Marketing & Sales of Agro Chemicals and other commercial activities.

He is also honored by Pesticides Manufacturers and Formulators Association of India (PMFAI) in 2024 for 'Sales & Marketing Excellence in International Business'.

The Board is of the opinion that, Mr. Narayanan Pulukhool Nair's rich experience in Chemical industry would bring immense benefit to the organisation as a Non-Executive Independent Director.

Disclosures pursuant to the Secretarial Standard-2 on General Meetings and Regulation 26(4) and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure – I to the Notice.

Mr. Narayanan Pulukhool Nair as on date of this notice, does not hold any equity shares in the Company.

Mr. Narayanan Pulukhool Nair is not related to any of the Directors of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on June 18, 2025 recommends to the members for regularisation of the appointment of Mr. Narayanan Pulukhool Nair as a Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years with effect from June 18, 2025 up to June 17, 2030 (both days inclusive) by way of Special Resolution as set out in Item No. 5 of the accompanying Notice.

The Board recommends the Special Resolution set out at Item No.5 of the Notice for approval by the Members.

None of the Directors, Managers, Key Managerial Personnel of the Company and their respective relatives is or are in any way concerned or interested, financially or otherwise in the Special Resolution set out in Item No.5 of the Notice.



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ITEM NO. 6

To ensure proper composition of the Board of Directors, Company needs to re-constitute its Board, this will ensure compliance with the provisions of the Companies Act, 2013, as amended and the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable law(s) prior to filing of the Draft Red Herring Prospectus with the Securities and Exchange Board of India.

Subject to approval of the members, the Board of Directors at its meeting held on June 18, 2025 appointed, Mr. Rakesh Shivaji Jadhav (DIN 07508734) (herein after referred to as Mr. Rakesh Jadhav) as an Additional Director (Whole-time Director – EHS, Governance & Business Process) for a term of 3 years with effect from June 18, 2025 up to June 17, 2028 (both days inclusive), in terms of the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received from Mr. Rakesh Jadhav:

(i) a consent in writing to act as a Director pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and

(ii) an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013

Mr. Rakesh Jadhav is not debarred from holding the office of Director pursuant to any order of Securities and Exchange Board of India or any other such authority.

All the documents referred to at Item No. 6 of the Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company.

Mr. Rakesh Jadhav 's brief profile is given hereunder:

Mr. Rakesh Jadhav holds Bachelor's degree in Computer Applications from Madurai Kamaraj University, Certified Information System Auditor (CISA) from Information System Audits and Control Association (ISACA), Certificate in Business Analytics from IIT Roorkee, Executive Certificate Programme in General Management from IIM Indore and Diploma in Computer Management from Datapro Infoworld Ltd.

He has more than 27 years of Experience. He has rich experience in Control objectives of Information & Related technologies, Business Process improvements in the areas of Strategy & Governance, Human Resources, Infrastructure & Operations, Security & Risk, App Management, Data & BI, PPM, implemented System Analysis and design for various clients like Berger Becker, ICICI Bank, Ashok Leyland and faculty at DataPro InfoWorld to impart corporate trainings for Key Management from eminent industries.

Disclosures pursuant to the Secretarial Standard-2 on General Meetings and Regulation 26(4), and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure – I to the Notice.

The Board is of the opinion that, Mr. Rakesh Jadhav's expertise knowledge and business acumen in managing the overall technology, industrial relation, safety, operation of the Company would be beneficial for the Company.

The Board of Directors is of the opinion that the remuneration being paid / payable to Mr. Rakesh Jadhav, as Whole-time Director – EHS, Governance & Business Process of the Company, is commensurate with his duties and responsibilities. The Board considers that his association as Whole-time Director – EHS, Governance & Business Process will be beneficial and in the interest of the Company.

The Board of Directors proposes and seeks the approval of the members for the payment of minimum remuneration as stated in Item No. 6 of the notice, in case of no profits or inadequacy of profits, in any financial year, for the period commencing from June 18, 2025 to June 17, 2028.

In accordance with the provisions of Part B of Section II of Part II of Schedule V of the Companies Act, 2013 as amended:

The Nomination and Remuneration Committee and the Board of Directors of the Company at the meeting held on June 18, 2025, accorded their consent and proposed the matter for the approval of the members for:

The payment of remuneration as a minimum remuneration, where the Company has no profits or its profits are inadequate, to Mr. Rakesh Jadhav as Whole-time Director – EHS, Governance & Business Process for the period commencing from June 18, 2025 to June 17, 2028 with authority to the Board to alter, vary in the terms of appointment and / or remuneration within the limit as set up in the Notice in Item No. 6



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Information pursuant to Clause (iv) of Section II of Schedule V to the Companies Act, 2013, is given in **Annexure II**.

Mr. Rakesh Jadhav possesses graduate level qualification with rich experience of more than 27 years.

There is no default in repayment of any of its debts dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

This Explanatory Statement together with the Resolution set out at Item No. 6 of the accompanying Notice is and should also be treated as an abstract of the terms and memorandum of interest under Section 190 and other applicable provisions of the Companies Act, 2013.

Mr. Rakesh Jadhav as on date of this notice, does not hold any equity shares in the Company.

Mr. Rakesh Jadhav is not related to any of the Directors of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on June 18, 2025 recommends to the members for regularisation of the appointment of Mr. Rakesh Jadhav as Whole-time Director – EHS, Governance & Business Process of the Company for a term of 3 (three) years with effect from June 18, 2025 up to June 17, 2028 (both days inclusive) by way of Special Resolution as set out in Item No. 6 of the accompanying Notice.

The Board recommends the Special Resolution set out at Item No.6 of the Notice for approval by the Members.

None of the Directors, Managers, Key Managerial Personnel of the Company and their respective relatives is or are in any way concerned or interested, financially or otherwise in the Special Resolution set out in Item No.6 of the Notice.



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Annexure I: Disclosure as required under Secretarial Standard- 2 on General Meetings are as under:

Name of Director	Mr. Gaurang Parikh
DIN	00190701
Age	51
Date of first Appointment on Board	August 9, 2001
Qualification	Bachelor's Degree in Engineering in Chemical Branch from University of Pune, India and a Master's of Science in Chemical Engineering from the University of Toledo, USA
Experience	Over 22 years of experience
Terms and Conditions of Appointment or re-appointment along with remuneration (including perquisites excluding Bonus/ performance linked incentive)	Re-appointed as Managing Director of the Company w.e.f. February 1, 2022 to January 31, 2027, liable to retire by rotation. Last Drawn Remuneration ₹ 38.35 million (including provision of arrears of gratuity ₹ 19.45 million)
The last drawn remuneration (excluding Bonus/performance linked incentive)	₹18.90 million
Shareholding of the Directors	5200000
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Nil
The Number of Meetings of the Board attended during the financial year 2024-25	3
Other Directorships as on date	Prasol Aromatics Private Limited
Memberships/Chairmanship of Committees – Prasol Chemicals Limited	Prasol Chemicals Limited : • Stakeholder Relationship Committee – Member • Corporate Social Responsibility Committee – Member • Risk Management Committee – Member • Sustainability Committee - Member • IPO Committee – Member • Administrative Committee - Member
Name of Director	Mr. Narayanan Pulkhool Nair
DIN	11124568
Age	71
Date of first Appointment on Board	June 18, 2025
Qualification	M.Com from the University of Osmania, India and Diploma in Materials Management from IIMM, Mumbai
Experience	Over 27 years of experience
Terms and Conditions of Appointment or re-appointment along with remuneration (including perquisites excluding Bonus/ performance linked incentive)	Appointment as an Independent Director for a term of five consecutive years, not liable to retire by rotation. He will be entitled for Sitting fees for attending Board/ Committee Meetings, Commission based on Profits of the Company.
The last drawn remuneration (excluding Bonus/performance linked incentive)	Not Applicable
Shareholding of the Directors	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Nil
The Number of Meetings of the Board attended during the financial year 2024-25	Nil
Other Directorships as on date	Nil
Memberships/Chairmanship of Committees – Prasol Chemicals Limited	Nil



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Name of Director	Mr. Rakesh Jadhav
DIN	07508734
Age	51
Date of first Appointment on Board	June 18, 2025
Qualification	Bachelor's degree in Computer Applications from Madurai Kamaraj University, Certified Information System Auditor (CISA) from Information System Audits and Control Association (ISACA), Certificate in Business Analytics from IIT Roorkee, Executive Certificate Programme in General Management from IIM Indore and Diploma in Computer Management from Datapro Infoworld Ltd.
Experience	Over 27 years of experience
Terms and Conditions of Appointment or re-appointment along with remuneration (including perquisites excluding Bonus/ performance linked incentive)	Appointment as Whole-time Director – EHS, Governance & Business Process for a term of three years, liable to retire by rotation. Remuneration as stated in the Notice/Agenda Item No.6.
The last drawn remuneration (excluding Bonus/performance linked incentive)	Not Applicable
Shareholding of the Directors	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Nil
The Number of Meetings of the Board attended during the financial year 2024-25	Nil
Other Directorships as on date	Nil
Memberships/Chairmanship of Committees – Prasol Chemicals Limited	Nil



Annexure II:

Information pursuant to Clause (iv) of Section II of Schedule V to the Companies Act, 2013 for the Item No. 6 is given here under:																																									
		Rakesh Jadhav																																							
I.	General Information																																								
(1)	Nature of Industry	Chemical Manufacturing Industry – One of the leading forward integrated manufacturers of acetone derivatives and phosphorous derivatives in India. i.e. speciality chemicals, Fertilizers, pharmaceuticals, lubricants etc																																							
(2)	Date or expected date of commencement of commercial production	In production since 32 years																																							
(3)	In case of new company, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus	Not Applicable																																							
(4)	Financial performance based on given indicators	<table> <tr> <th>Particulars</th><th>Standalone</th><th>Consolidated</th><th>Standalone</th><th>Consolidated</th><th>Standalone (Consolidation not applicable)</th></tr> <tr> <th></th><th>2024-25 (₹)</th><th>2024-25 (₹)</th><th>2023-24 (₹)</th><th>2023-24 (₹)</th><th>2022-23 (₹)</th></tr> <tr> <td>Total Revenue</td><td>10,155.87</td><td>10,155.28</td><td>8875.62</td><td>8875.62</td><td>9325.85</td></tr> <tr> <td>Profit before tax</td><td>592.90</td><td>592.75</td><td>392.86</td><td>392.74</td><td>582.73</td></tr> <tr> <td>Profit after tax</td><td>435.72</td><td>435.57</td><td>181.43</td><td>181.31</td><td>485.88</td></tr> <tr> <td>Proposed Dividend</td><td>17.40</td><td>17.40</td><td>17.40</td><td>17.40</td><td>17.40</td></tr> </table>				Particulars	Standalone	Consolidated	Standalone	Consolidated	Standalone (Consolidation not applicable)		2024-25 (₹)	2024-25 (₹)	2023-24 (₹)	2023-24 (₹)	2022-23 (₹)	Total Revenue	10,155.87	10,155.28	8875.62	8875.62	9325.85	Profit before tax	592.90	592.75	392.86	392.74	582.73	Profit after tax	435.72	435.57	181.43	181.31	485.88	Proposed Dividend	17.40	17.40	17.40	17.40	17.40
Particulars	Standalone	Consolidated	Standalone	Consolidated	Standalone (Consolidation not applicable)																																				
	2024-25 (₹)	2024-25 (₹)	2023-24 (₹)	2023-24 (₹)	2022-23 (₹)																																				
Total Revenue	10,155.87	10,155.28	8875.62	8875.62	9325.85																																				
Profit before tax	592.90	592.75	392.86	392.74	582.73																																				
Profit after tax	435.72	435.57	181.43	181.31	485.88																																				
Proposed Dividend	17.40	17.40	17.40	17.40	17.40																																				
(5)	Foreign investment or collaborations, if any	Not Applicable																																							
II.	Information about the appointee																																								
(1)	Background details	Mr. Rakesh Jadhav holds Bachelor's degree in Computer Applications from Madurai Kamaraj University, Certified Information System Auditor (CISA) from Information System Audits and Control Association (ISACA), Certificate in Business Analytics from IIT Roorkee, Executive Certificate Programme in General Management from IIM Indore and Diploma in Computer Management from Datapro Infoworld Ltd. He has more than 27 years of Experience.																																							
(2)	Past Remuneration (FY 2024-25)	Not Applicable																																							
(3)	Recognition and awards	Nil																																							
(4)	Job profile and his suitability	He has rich experience in Control objectives of Information & Related technologies, Business Process improvements in the areas of Strategy & Governance, Human Resources, Infrastructure & Operations, Security & Risk, App Management, Data & BI, PPM, implemented System Analysis and design for various clients like Berger Becker, ICICI Bank, Ashok Leyland and faculty at DataPro InfoWorld to impart corporate trainings for Key Management from eminent industries.																																							
(5)	Remuneration proposed	As mentioned in the Notice at Item no. 6																																							



(6)	Comparative remuneration profile with respect to Industry, Size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed to be paid to Mr. Rakesh Jadhav, Whole-time Director – EHS, Governance & Business process, by the Board of Directors in consultation with the Nomination and Remuneration Committee of the Company is in tune with the remuneration in similar sized companies in the same segment of business. The remuneration being proposed is considered to be appropriate, having regard to the factors such as experience, position held, contribution to the growth of the Company, its business and profitability.
(7)	Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any	Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly, with the Company.
III.	Other Information	
(1)	Reason of loss or inadequate profits	The major reasons for inadequacy of profits were due to challenging economic conditions in business segments, fluctuating raw material prices, demand for products etc. The profits may be inadequate only for the purpose of calculating the remunerations payable to the directors in terms of Section 197 of the Companies Act, 2013. The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, due to business environment during the period for which remuneration is payable.
(2)	Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures such as expanding the distribution network, launching new products, focusing on improving efficiency and productivity etc. which are expected to result in improvement in the present position. Also, with signs of economic recovery in India and the world, Company expects an increase in the demand for its products.
(3)	Expected increase in productivity and profits in measurable terms	The Company has chalked out a meticulous plan to drive cost efficiencies and productivity improvements and is confident of improving the productivity and profitability. It is also driving cost optimization measures aggressively to improve the bottomline. Considering the present business scenario, the Company is expecting growth in revenue and profitability.



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ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting venue)

DP ID No.* _____

& Client ID No.* _____

(*Applicable for members holding Shares in electronic form)

Name:

(IN BLOCK CAPITAL)

Address:

I hereby record my presence at the 33rd Annual General Meeting held on Wednesday, September 17, 2025 at 3.30 a.m./p.m.(IST) at Prasol House, Plot No. A-17/2/3, T.T.C. Industrial Area, Khairne MIDC, Navi Mumbai, Thane – 400 710.

Signature of Member / Proxy holder

NOTE:

1. A Member/Proxy holder attending the meeting should bring their copy of the Notice of the Annual General Meeting for reference at the meeting.
2. Only Member/Proxy holder can attend the meeting.
3. Please fill in the DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over at the entrance of the meeting venue.



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FORM NO. MGT-11

PROXY FORM

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

PRASOL CHEMICALS LIMITED

CIN: U99999MH1992PLC065026

Member Detail:

Name: _____ (IN BLOCK CAPITAL)	Address: _____ _____ _____
-----------------------------------	----------------------------------

Email ID: _____

DP ID No.* _____

& Client ID No.* _____

(*Applicable for members holding Shares in electronic form)

I/we being the member(s) of _____ Equity shares of **PRASOL CHEMICALS LIMITED** hereby appoint:

1. Name:	2. Name:	3. Name:
Address:	Address:	Address:
Email Id:	Email Id:	Email Id:
Signature: or Failing him/her	Signature: or Failing him/her	Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company to be held on Wednesday, September 17, 2025 at 3.30 a.m./p.m. (IST) at Prasol House, Plot No.A -17/2/3, T.T.C. Industrial Area, Khairne MIDC, Navi Mumbai, Thane – 400 710 and at any adjournment thereof in respect of such resolutions as are indicated below:



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Item No.	Resolutions	Optional#	
		For	Against
*1	To receive, consider and adopt the Standalone audited financial statements of the Company for the Financial Year ended March 31, 2025 together with the Report of the Board of Directors' and the Auditors' thereon and the Consolidated Audited Financial Statements for the financial year ended March 31, 2025 together with the Report of the Auditors thereon.		
*2	To declare Final dividend of ₹ 0.30 per equity share of the face value of ₹ 2 each for the Financial Year ended March 31, 2025		
*3	To appoint director in place of Mr. Gaurang Parikh (DIN: 00190701), who retires by rotation and being eligible, offers himself for re-appointment		
**4	Ratify remuneration of Cost Auditor for the financial year ending March 31, 2026		
**5	Appointment of Independent Director		
**6	Appointment of Whole-time Director		

* Ordinary Business: Item No. 1 to 3

** Special Business: Item No. 4 to 6

Signed this _____ day of _____ 2025

Signature of Shareholder(s)	Signature of Proxy Holder(s)

Affix Re. 1
Revenue
Stamp

Notes:

- 1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- 2) #This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.



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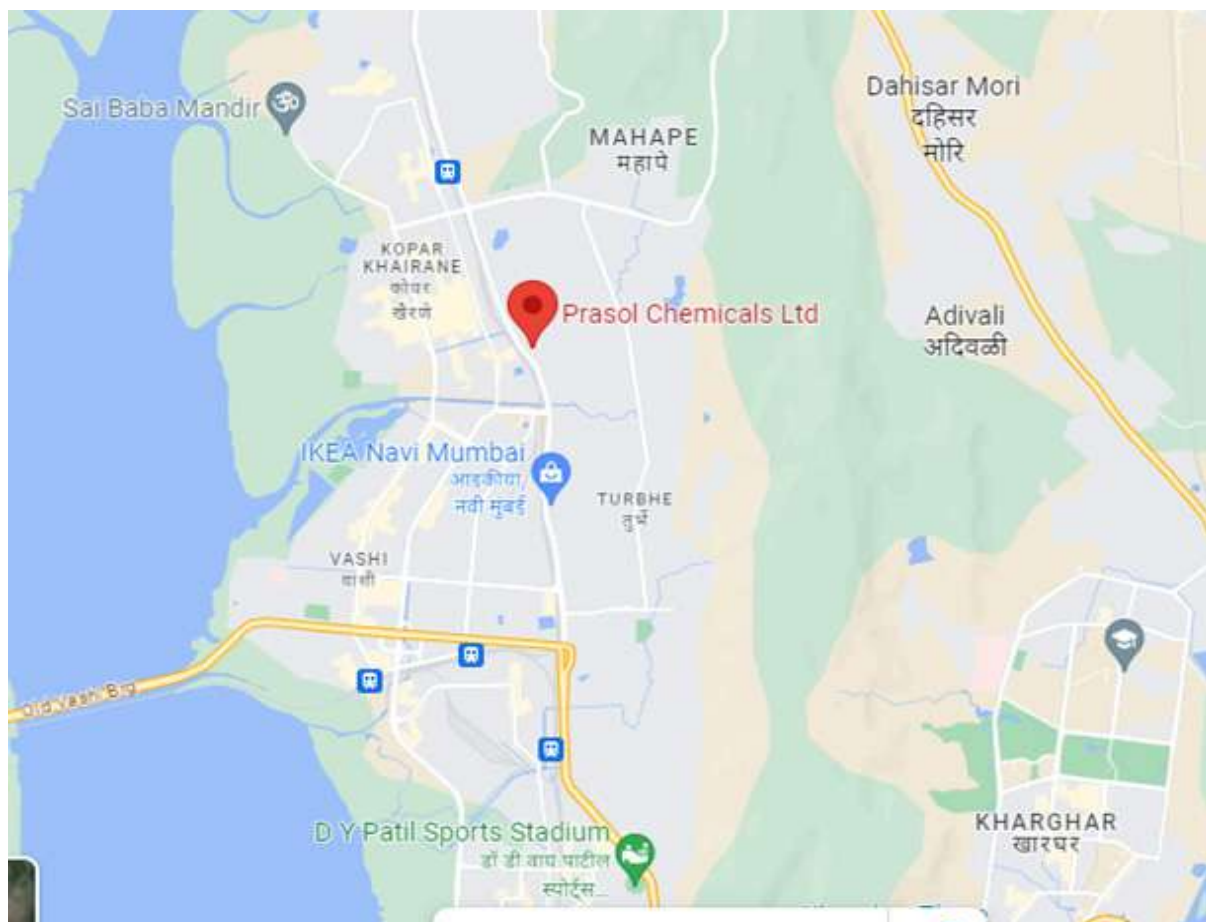
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Route Map: Prominent Landmark: *Near White House*

Address of the Venue : *Prasol House, Plot No. A – 17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai – 400710*

Source: google map



This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



PRASOL®

If undelivered please return to :

Prasol Chemicals Limited

“Prasol House”

Plot No. A-17/2/3, T.T.C. Industrial Area,

Khairne M.I.D.C., Navi Mumbai-400710. Maharashtra State India.

Web: www.prasolchem.com