Independent Auditor's Report

To the Members of Atul Products Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Atul Products Limited (the Company) having CIN U24304GJ2020PLC117189, which comprise the Balance Sheet as at March 31, 2026 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information, which we have signed under reference to this report (hereinafter referred to as the Standalone Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (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, 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis of 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 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Management discussion and Analysis included in Company's annual report, but does not include the Financial Statements and our auditor's report 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 audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

   (g) The Company has not paid any remuneration to its directors during the current year, hence provisions of section 197 of the Act is not applicable to the Company.

   (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 knowledge and belief and according to the information and explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position;

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

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

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

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not proposed any dividend during the previous year and has not declared any interim dividend during the year and until the date of this report. Hence, no reporting is applicable with regards to compliance with section 123.

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

For **B R Shah and Associates**
Chartered Accountants
FRN: 129053W

Deval Desai
Partner
Membership number: 132426
UDIN: 26132426JXOOQF1736

Place: Ahmedabad
Date: April 15, 2026

Annexure A to the Independent Auditor's Report

Referred in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Atul Products Limited** on the standalone financial statements as of and for the year ended March 31, 2026.

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of Property, plant and equipment, so as to cover all the items in a phased manner once over a period of three years which, in our opinion, is reasonable having regards to size of the Company and nature of its assets. Pursuant to the program, certain Property, plant, and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in Property, Plant and Equipment of the company, except for lease hold land against duly executed lease deed, and accordingly the reporting requirements under clause (i) (c) of the said order are not applicable.

(d) Company has not carried out any revaluation of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence the reporting requirements under clause (i) (d) of the said order are not applicable.

(e) According to the information and explanations given by the management, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the reporting requirements under clause (i) (e) of the said order are not applicable.

ii. (a) Physical verification of inventory has been conducted by the management at regular intervals. In our opinion, the frequency of verification is reasonable. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.

(b) The company has been sanctioned working capital limit in the form of term loans and overdraft facilities in excess of five crore rupees. The company has also repaid the withdrawn amount during the year. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. The company has not made any Investment, provided any guarantee or security or granted any loans or advances in the nature of loan whether secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, clause (iii) (a) to (f) of the order are not applicable for the year.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act during the year. Also, the company has not made any investment in contravention of the provision of Section 186. Accordingly, compliance under Section 185 and 186 of the Act is not applicable to the Company. Hence, clause (iv) of the order is not applicable.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit from public as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, clause (v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of records of the Company examined by us, in our opinion, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Cess, Goods and Service Tax, provident fund, electricity duty and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and service tax, Cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Goods and service tax, Income-tax, Cess and other material statutory dues as at March 31, 2026, which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, the Company has not disclosed any transactions which was not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the provisions of The Income Tax Act, 1961. Accordingly, the provisions of clause (viii) of the Order is not applicable.

ix. (a) According to the information and explanations given to us, the company has not made any default in repayment of loan from banks or Financial Institution.

(b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) The Company has not taken any term loans during the year and hence reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and based on the overall examination of balance sheet, the company has not borrowed any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the overall examination of balance sheet, the company has not raised loans by providing investments held in subsidiaries, Joint ventures or associate companies as a security for availment of loan.

x. (a) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not raised money by way of initial public offer or further public offer (including debt instruments).

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the Management.

(b) On the basis of the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditor in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year under review.

(c) As represented to us by the management, no whistle blower complaints have been received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as prescribed under Section 406 of the Act. Accordingly, clause (xii) of the Order is not applicable.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Financial Statements, as required by the applicable Indian accounting standards. The provisions of section 177(1) to (8) are not applicable to the Company and accordingly reporting under clause (xiii) insofar as it relates to section 177(1) to (8) of the Act is not applicable to the Company and hence not commented upon.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

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

xv. According to the information and explanations given to us and based on the records of the Company examined by us, the company has not entered into any non-cash transactions with directors or any person connected with them. Accordingly, clause (xv) of the Order is not applicable.

xvi. (a) In our opinion and according to the information and explanations given to us, the company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) (a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion and according to the information and explanations given to us, the company is not a Core Investing Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) Based on the written representation provided to us by the management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi) (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses in the financial year under audit, nor in the immediately preceding financial year.

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

xix. On the basis of the financial ratios disclosed in Note 25.12 to the Financial Statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given by the management, the provisions of Section 135(5) of the Companies Act, 2013 are not applicable to the company. Hence, the provisions of Clause (xx) of the Order is not applicable.

xxi. According to the information and explanations given by the management and based on the information obtained from the management and audit procedures performed, the company does not have any subsidiary, joint venture or associate entity. Hence, the provisions of Clause (xxi) of the Order is not applicable.

For **B R Shah and Associates**
Chartered Accountants
FRN: 129053W

Deval Desai
Partner
Membership number: 132426
UDIN: 26132426JXOOQF1736

Place: Ahmedabad
Date: April 15, 2026

Annexure B to the Independent Auditor's Report

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Atul Products Limited** on the standalone financial statements as of and for the year ended March 31, 2026.

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

Opinion

We have audited the internal financial controls with reference to standalone Financial Statements of **Atul Products Limited** (the Company) as of March 31, 2026 in conjunction with our audit of the standalone Financial Statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For **B R Shah and Associates**
Chartered Accountants
FRN: 129053W

Deval Desai
Partner

Place: Ahmedabad — Membership number: 132426
Date: April 15, 2026 — UDIN: 26132426JXOOQF1736

Balance Sheet as at March 31, 2026

(₹ lakh)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
A ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2	75,255.17	82,504.16
b) Capital work-in-progress	2	3.88	490.48
c) Intangible assets	2.1	120.10	14.79
d) Financial assets			
i) Other financial assets	3	-	265.47
e) Income tax assets (net)	25.03	98.33	34.76
f) Other non-current assets	4	1,766.71	5,682.30
Total non-current assets		**77,244.19**	**88,991.96**
2. Current assets			
a) Inventories	5	1,306.85	2,168.22
b) Financial assets			
i) Investments	6	22,838.99	2,844.01
ii) Trade receivables	7	3,477.21	3,902.61
iii) Cash and cash equivalents	8	547.20	66.83
iv) Other financial assets	3	345.89	507.46
c) Other current assets	4	5,061.67	3,953.85
Total current assets		**33,577.81**	**13,442.98**
Total assets		**1,10,822.00**	**1,02,434.94**
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	9	500.00	500.00
b) Other equity	10	47,811.60	43,353.40
Total equity		**48,311.60**	**43,853.40**
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	55,954.16	52,758.83
ii) Lease liabilities	25.11	131.51	148.91
b) Provisions	12	36.40	29.84
c) Other current liabilities	16	94.86	-
d) Deferred tax liabilities (net)	25.03	1,175.04	-
Total non-current liabilities		**57,391.97**	**52,937.58**
2. Current liabilities			
a) Financial liabilities			
i) Borrowings	11	420.13	420.13
ii) Trade payables			
Total outstanding dues of			
a) Micro-enterprises and small enterprises	13	460.95	289.12
b) Creditors other than micro-enterprises and small enterprises	13	2,662.92	1,860.95
iii) Lease liabilities	25.11	17.40	15.99
iv) Other financial liabilities	14	1,230.47	2,932.37
b) Contract liabilities	15	256.97	68.53
c) Other current liabilities	16	65.17	54.42
d) Provisions	12	4.42	2.45
Total current liabilities		**5,118.43**	**5,643.96**
Total liabilities		**62,510.40**	**58,581.54**
Total equity and liabilities		**1,10,822.00**	**1,02,434.94**

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For B R Shah & Associates
Chartered Accountants
FRN: 129053W

Deval Desai
Partner
Membership number: 132426

Ahmedabad
April 15, 2026

For and on behalf of the Board of Directors

Bharat Joshi
(DIN: 02952299)
Director

Lalit Patni
(DIN:02564572)
Director

Atul
April 15, 2026

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

(₹ lakh)

Particulars	Note	2025-26	2024-25
INCOME			
Revenue from operations	17	50,359.77	35,289.51
Other income	18	2,925.03	70.30
Total income		**53,284.80**	**35,359.81**
EXPENSES			
Cost of materials consumed	19	5,252.72	4,690.94
Purchases of stock-in-trade		165.24	261.75
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(187.60)	55.63
Power, fuel and water	21	24,009.25	17,439.91
Employee benefit expenses	22	1,013.39	689.12
Finance costs	23	4,683.47	4,533.72
Depreciation and amortisation expenses	2 & 2.1	8,103.66	7,952.50
Other expenses	24	4,618.66	2,560.13
Total expenses		**47,658.79**	**38,183.70**
Profit | (loss) before tax		**5,626.01**	**(2,823.89)**
Tax expense			
Current tax	25.03	-	-
Deferred tax	25.03	1,173.80	-
Tax expense for the year		**1,173.80**	**-**
Short | (excess) tax provision relating to earlier years		-	(0.09)
Total tax expense		**1,173.80**	**(0.09)**
Profit | (loss) for the year		**4,452.21**	**(2,823.80)**
Other comprehensive income			
Items that will not be reclassified to profit | (loss)			
i) Remeasurement gain | (loss) on defined benefit plans (net of taxes)		7.23	(4.88)
ii) Income tax related to items above		(1.24)	-
Other comprehensive income, net of tax		**5.99**	**(4.88)**
Total comprehensive income for the year		**4,458.20**	**(2,828.68)**
Earnings per equity share of ₹10 each			
Basic earnings (₹)	25.08	89.04	(56.48)
Diluted earnings (₹)	25.08	89.04	(56.48)

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For B R Shah & Associates
Charterted Accountants
FRN: 129053W

Deval Desai
Partner
Membership number: 132426

Ahmedabad
April 15, 2026

For and on behalf of the Board of Directors

Bharat Joshi
(DIN: 02952299)
Director

Lalit Patni
(DIN:02564572)
Director

Atul
April 15, 2026

Statement of Changes in equity
for the year ended on March 31, 2026

A Equity share capital

(₹ lakh)

Particulars	Note	Amount
Balance as at April 01, 2024		**500.00**
Changes in equity share capital during the year		-
Balance as at March 31, 2025		**500.00**
Changes in equity share capital during the year		-
Balance as at March 31, 2026	9	**500.00**

B Other equity

(₹ lakh)

Particulars	Equity component of non-cumulative redeemable preference shares	Reserves and surplus	Total other equity
		Retained earnings[1]	
Balance as at April 01, 2024	**49,037.19**	**(3,713.73)**	**45,323.46**
(Loss) for the year	-	(2,823.80)	(2,823.80)
Other comprehensive income, net of tax	-	(4.88)	(4.88)
Total comprehensive income for the year	**-**	**(2,828.68)**	**(2,828.68)**
Issued during the year	860.07	-	860.07
Share issue expenses, net of tax	-	(1.45)	(1.45)
Balance as at March 31, 2025	**49,897.26**	**(6,543.86)**	**43,353.40**
Profit for the year	-	4,452.21	4,452.21
Other comprehensive income, net of tax	-	5.99	5.99
Total comprehensive income for the year	**-**	**4,458.20**	**4,458.20**
Balance as at March 31, 2026	**49,897.26**	**(2,085.66)**	**47,811.60**

[1] Retained earnings includes accumulated balance of remeasurement gains | (loss) on defined benefit plans of ₹ 1.79 lakh [(March 31, 2025 : (₹ 5.44 lakh)]

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For B R Shah & Associates
Charterted Accountants
FRN: 129053W

Deval Desai
Partner
Membership number: 132426

Ahmedabad
April 15, 2026

For and on behalf of the Board of Directors

Bharat Joshi
(DIN: 02952299)
Director

Lalit Patni
(DIN:02564572)
Director

Atul
April 15, 2026

Statement of Cash Flows
for the year ended on March 31, 2026

(₹ lakh)

	Particulars		2025-26	2024-25
A	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit | (loss) before tax		5,626.01	(2,823.89)
	Adjustments for:			
	Add:			
	Depreciation and amortisation expenses		8,103.66	7,952.50
	Finance costs		4,683.47	4,533.72
	Loss due to damage of property, plant and equipment (net)		-	23.68
	Unrealised exchange rate difference (net)		(1.15)	57.06
	Realised exchange rate difference (net) on Capital Creditors		2.17	(53.97)
	Interest subsidy		(1,550.09)	-
	Interest income		(4.14)	(18.14)
	Interest from others		(2.31)	(0.20)
	Gain on sale of investments in mutual fund (net)		(119.08)	(8.92)
	Unrealised gain from investments in mutual funds measured at FVTPL		(768.02)	(39.02)
	Operating Profit before changes in operating assets and liabilities		**15,970.52**	**9,622.83**
	Adjustments for:			
	(Increase) | decerease in inventories		861.37	(1,062.79)
	Decrease in non-current and current assets		3,986.40	632.70
	(Increase) | decrease in non-current and current liabilities		1,422.34	(66.68)
	Cash generated from operations		**22,240.63**	**9,126.06**
	Income tax paid (net of refund)		61.26	24.36
	Net cash flow from operating activities	**A**	**22,179.37**	**9,101.70**
B	CASH FLOW FROM INVESTING ACTIVITIES			
	Payments towards property, plant and equipment (including capital advances and CWIP)		(2,174.99)	(6,850.57)
	Purchase of intangible assets		(105.31)	-
	Redemption of | (investment in) current investments measured at FVTPL (net)		(19,107.88)	(2,504.86)
	Interest received		4.14	18.34
	Net cash used in investing activities	**B**	**(21,384.04)**	**(9,337.09)**
C	CASH FLOW FROM FINANCING ACTIVITIES			
	Disbursements of borrowings[1]		-	1,450.00
	Repayment of loan		(420.13)	(56.71)
	Interest subsidy		1,188.06	-
	Interest paid		(1,052.39)	(1,232.06)
	Lease payments		(30.50)	(30.50)
	Share issue expenses		-	(1.45)
	Net cash flow from | (used) in financing activities	**C**	**(314.96)**	**129.28**
	Net increase | (decrease) in cash and cash equivalents	**A+B+C**	**480.37**	**(106.11)**
	Cash and cash equivalents at the beginning of the year		**66.83**	**172.94**
	Cash and cash equivalents at the end of the year (refer Note 8)		**547.20**	**66.83**

Notes:

[1] During the year 2024-25, Company issued 1,45,00,000 9.5% non-cumulative redeemable preference shares of ₹10 per share at par.

[2]The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

[3]Reconciliation of changes in liabilities arising from financing activities.

(₹ lakh)

Particulars	2025-26		2024-25	
	Lease liabilities	Borrowings	Lease liabilities	Borrowings
Balance at the beginning of the year	164.90	53,178.96	179.60	49,359.90
Disbursements	-	-	-	1,450.00
Repayments and equity component of non-cumulative redeemable preference shares	(30.50)	(420.13)	(30.50)	(916.78)
Interest expense and other finance cost	14.51	4,667.85	15.80	4,517.91
Interest paid	-	(1,052.39)	-	(1,232.06)
Balance as at the end of the year	**148.91**	**56,374.29**	**164.90**	**53,178.96**

The accompanying Notes 1-25 form an integral part of the Financial Statements.

In terms of our report attached

For B R Shah & Associates
Charterted Accountants
FRN: 129053W

Deval Desai
Partner
Membership number: 132426

Ahmedabad
April 15, 2026

For and on behalf of the Board of Directors

Bharat Joshi
(DIN: 02952299)
Director

Lalit Patni
(DIN:02564572)
Director

Atul
April 15, 2026

Notes to the Financial Statements

Background

Atul Products Ltd (the Company) is a public company limited by shares, incorporated and domiciled in India, having CIN U24304GJ2020PLC117189. The Company is a wholly owned subsidiary of Atul Ltd. Its registered office is located at E-7, East area, Atul, Valsad, Gujarat 396 020, India and its principal place of business is located at Atul 396 020, Gujarat, India.

The Company is formed with an objective of setting up manufacturing facilities for basic and speciality chemicals. The Company has commissioned its 300 tpd Caustic and 50 MW power plant in December 2023.

Note 1 Material accounting policies

This Note provides a list of the material accounting policies adopted by the Company in preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of compliance

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

b) Basis of preparation

i) Historical cost convention:

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

a) Certain financial assets and liabilities : measured at fair value

b) Defined benefit plans : plan assets measured at fair value

ii) The Financial Statements have been prepared on accrual and going concern basis.

iii) The accounting policies are applied consistently to all the periods presented in the Financial Statements. All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

iv) Recent accounting pronouncements effective from April 01, 2025:

The Ministry of Corporate Affairs (MCA) notifies new standards | amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year, the MCA has amended the Ind AS as below:

Ind AS 1- Presentation of Financial Statements:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 107- Financial Instruments Disclosures:

The amendments to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

Ind AS 12- Income Taxes:

The amendments to the Pillar Two Model Rules introduce a temporary mandatory exemption from deferred tax accounting for top-up taxes and require companies to disclose their use of this exemption. This relief takes effect immediately and applies retrospectively. In addition, the amendments mandate new disclosures to compensate for any potential loss of information resulting from the exemption

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendments provide guidance on determining exchangeability between currencies and estimating spot rates when a currency is not exchangeable.

The Company has evaluated the amendments and there is no material impact on its Financial Statement.

c) Foreign currency transactions

i) Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (₹), which is also the functional currency of the Company.

ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences in assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

d) Revenue recognition

i) Revenue from operations

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or a specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the transaction price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

ii) Other income

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

e) Income tax

Income tax expense comprises current tax and deferred tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The Company considered whether it has any uncertain tax positions based on past experience pertaining to income taxes, including those related to transfer pricing as per Appendix C to Ind AS 12. The Company has determined its tax position based on tax compliance and present judicial pronouncements and accordingly expects that its tax treatments will be accepted by the taxation authorities.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

f) Government grants

i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

iv) Government grants receivable, as compensation for interest expenses already incurred, are recognised in the Statement of Profit and Loss as other income in the period in which they become receivable.

g) Leases

As a lessee

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all the lease arrangements in which it is lessee, except for short-term leases (leases with a term of 12 months or less), leases of low value asset and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

h) Property, plant and equipment

All items of property, plant and equipment (PPE) are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

The charge in respect of periodic depreciation is derived after determining an estimate of the expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Depreciation is computed on pro-rata basis using the straight-line method from the month of acquisition | installation until the last completed month before the assets are sold or disposed of.

Estimated useful lives of the assets are as follows :

Asset category	Estimated useful life
Buildings	30 years
Plant and equipment[1]	5 to 25 years
Vehicles	6 to 10 years
Office equipment and furniture	3 to 10 years
Roads	5 years

[1]The useful lives have been determined based on technical evaluation done by the Management | experts, which are different from the useful life prescribed in Part C of Schedule II to the Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Right-of-use are depreciated over their expected useful lives on the same basis as own assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

i) Capital work-in-progress

The cost of property, plant and equipment (PPE) under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition | construction of PPE which are outstanding at the Balance Sheet date are classified under 'Capital Advances'.

j) Intangible assets

Computer software includes enterprise resource planning application and other costs relating to such software that provide significant future economic benefits. These costs comprise license fees and cost of system integration services.

Computer software cost is amortised over a period of three years using the straight-line method.

k) Impairment

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition) highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

m) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit | (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with inventing or financing cash flows. The cash generated from | (used) in operating, investing and financing activities of the company are segregated.

n) Trade receivables

Trade receivables are recognised at the amount of transaction price (net of variable consideration) when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss. Trade receivables overdue for more than 180 days are considered as receivable with significant increase in credit risk.

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

p) Inventories

Inventories are stated at cost or net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to effect the sale.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

q) Investments and other financial assets

Classification and measurement:

The Company classifies its financial assets in the following measurement categories :

i) those to be measured subsequently at fair value through profit or loss

The classification depends on business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

r) Financial liabilities

i) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or it expires.

s) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate 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 facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

u) Borrowing costs

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. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

v) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

w) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract. The same is disclosed as Advance from Customers under Contract Liabilities. The contract liabilities are recognised as revenue when the performance obligation is satisfied.

x) Employee benefits

i) Defined Benefit plan

a) Gratuity

Gratuity liability is a defined benefit obligation and is computed on the basis of actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or assets recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the trustees nominated by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

ii) Defined contribution plan

Contributions to defined contribution schemes such as contribution to provident fund, employees state insurance scheme, national pension scheme and labour welfare fund are charged as an expense to Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

iii) Short-term employee benefits

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits, etc, are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as an expense as and when incurred.

Short-term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by employees.

iv) Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

y) Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

z) Ordinary shares

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of Ordinary shares are recognised as a deduction from equity, net of any tax effects.

Critical estimates and judgements

Preparation of the Financial Statements require use of accounting estimates, judgements and assumptions, which, by definition, will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Financial Statements. This Note provides an overview of the areas that involve a higher degree of judgements or complexity and of items that are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

i) Estimation for income tax: Note 1(e)

ii) Estimation of useful life of Property, plant & equipment: Note 1(h)

iii) Estimation of Provision for inventories: Note 1(p)

iv) Estimation of credit losses on trade receivables: Note 1(n)

v) Fair value measurements: Note 25.04

vi) Estimation of defined benefit obligations : Note 1(x)

vii) Impairment : Note 1(k)

Note 2 Property, plant and equipment and capital work-in-progress

(₹ lakh)

Particulars	Right-of-use leasehold land[1]	Buildings	Plant and equipment	Vehicles	Roads	Office equipment	Furniture and fixtures	Total	Capital work-in-progress[2]
Gross carrying amount									
As at April 01, 2024	**197.47**	**2,544.69**	**83,576.21**	**0.21**	**365.82**	**15.13**	**51.59**	**86,751.12**	**3,447.81**
Additions	-	756.37	5,360.48	0.11	25.86	20.92	26.89	6,190.63	3,233.30
Disposals, transfers and adjustments	-	-	(59.59)	-	-	-	-	(59.59)	(6,190.63)
As at March 31, 2025	**197.47**	**3,301.06**	**88,877.10**	**0.32**	**391.68**	**36.05**	**78.48**	**92,882.16**	**490.48**
Additions	-	33.91	727.36	-	17.60	27.43	12.17	818.47	331.87
Disposals, transfers and adjustments	-	-	-	-	-	-	-	-	(818.47)
As at March 31, 2026	**197.47**	**3,334.97**	**89,604.46**	**0.32**	**409.28**	**63.48**	**90.65**	**93,700.63**	**3.88**
Depreciation | Amortisation									
As at April 01, 2024	**26.33**	**26.76**	**2,354.79**	**0.07**	**24.39**	**4.68**	**3.06**	**2,440.08**	**-**
For the year	19.75	100.15	7,724.80	0.23	77.54	8.04	9.61	7,940.12	-
Disposals, transfers and adjustments	0.00	-	(2.20)	-	-	-	-	(2.20)	-
As at March 31, 2025	**46.08**	**126.91**	**10,077.39**	**0.30**	**101.93**	**12.72**	**12.67**	**10,378.00**	**-**
For the year	19.74	105.16	7,844.73	-	75.76	10.82	11.25	8,067.46	-
Disposals, transfers and adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2026	**65.82**	**232.07**	**17,922.12**	**0.30**	**177.69**	**23.54**	**23.92**	**18,445.46**	**-**
Net carrying amount									
As at March 31, 2025	151.39	3,174.15	78,799.71	0.02	289.75	23.33	65.81	82,504.16	490.48
As at March 31, 2026	**131.65**	**3,102.90**	**71,682.34**	**0.02**	**231.59**	**39.94**	**66.73**	**75,255.17**	**3.88**

Notes:

[1] Refer Note 25.11 for disclosure of Right-of-use assets under lease.

[2] Capital work-in-progress mainly comprises projects in progress and project materal.

[3] Refer note 11(d) for information on property, plant and equipment hypothecated | mortgaged as security by the Company.

Refer Note 25.01 for disclosure of contractual commitment for acquisition of property, plant and equipment.

According to assessment of the Management, there are no events or changes in circumstances that suggest impairment of property, plant and equipment as per Ind AS 36 'Impairment of Assets'. Consequently no provision for impairment has been recorded.

The Company has not revalued its property, plant and equipment as at March 31, 2026 and March 31, 2025.

Capital work-in-progress ageing

(₹ lakh)

Particulars	As at March 31, 2026					As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3.88	-	-	-	3.88	464.31	26.17	-	-	490.48

Capital work-in-progress completion schedule

(₹ lakh)

Particulars	As at March 31, 2026				As at March 31, 2025			
	To be completed in				To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	3.88	-	-	-	490.48	-	-	-

(₹ lakh)

Note 2.1 Intangible Assets	Computer software
Gross carrying amount	
As at April 01, 2024	**35.70**
Additions	2.16
As at March 31, 2025	37.86
Additions	141.51
As at March 31, 2026	**179.37**
Depreciation | amortisation	
As at April 01, 2024	**10.69**
For the year	12.38
As at March 31, 2025	23.07
For the Year	36.20
As at March 31, 2026	**59.27**
Net carrying amount	
As at March 31, 2025	14.79
As at March 31, 2026	**120.10**

The Company has not revalued its intangible assets as at March 31, 2026 and March 31, 2025.

(₹ lakh)

Note 3 Other financial assets		As at March 31, 2026		As at March 31, 2025	
		Non-current	Current	Non-current	Current
a)	Security deposits for utilities and premises	-	-	265.47	-
b)	Other receivables (including insurance claim receivable)	-	14.98	-	507.46
c)	Government grant receivable	-	330.91	-	
		-	**345.89**	**265.47**	**507.46**

(₹ lakh)

Note 4 Other assets		As at March 31, 2026		As at March 31, 2025	
		Non-current	Current	Non-current	Current
a)	Prepaid expenses	1.19	130.44	1.98	138.29
b)	GST receivable	1,754.77	3,554.31	5,664.85	3,751.86
c)	Capital advances	10.75	-	15.47	-
d)	Other advances	-	1,376.92	-	63.70
		1,766.71	**5,061.67**	**5,682.30**	**3,953.85**

(₹ lakh)

Note 5 Inventories		As at March 31, 2026	As at March 31, 2025
a)	Raw materials and packing materials	273.31	409.02
b)	Finished goods and work-in-progress	309.41	109.42
c)	Stores, spares and fuel	724.13	1,637.39
d)	Stock-in-trade	-	12.39
		1,306.85	**2,168.22**

Notes :

i) Measured at the lower of cost and net realisable value

ii) Refer note 11 (d) for information on inventories have been offered as security against the working capital facilities provided by the bank

(₹ lakh)

Note 6 Current investments		As at March 31, 2026	As at March 31, 2025
Unquoted			
a)	Investment in mutual funds measured at FVTPL	22,838.99	2,844.01
		22,838.99	**2,844.01**

Aggregate amount of investments and market value thereof:

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate carrying value of unquoted investments	22,838.99	2,844.01

(₹ lakh)

Note 7 Trade receivables		As at March 31, 2026	As at March 31, 2025
Undisputed trade receivables considered good - unsecured			
a)	Related parties (refer Note 25.02)	873.59	2,557.90
b)	Others	2,603.62	1,344.71
		3,477.21	**3,902.61**

Notes :

i) Refer note 11 (d) for information on trade receivables have been offered as security against the working capital facilities provided by the bank

ii) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.

iii) Allowance for doubtful debts recognised | written back (including expected credit loss) in the Statement of Profit and Loss of ₹ Nil (March 31, 2025 : ₹ Nil)

Trade receivables ageing

(₹ lakh)

No.	Particulars	As at March 31, 2026 Outstanding for following period from due date					
		Not due	Less than 6 Months	6 Months - 1 year	1-2 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	3,283.64	193.18	-	0.39		3,477.21
	Allowance for doubtful debts*	-	-	-	-	-	-
	Total	**3,283.64**	**193.18**	**-**	**0.39**	**-**	**3,477.21**

*Allowance for doubtful debts include expected credit loss provision

(₹ lakh)

No.	Particulars	As at March 31, 2025 Outstanding for following period from due date						
		Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed trade receivables: considered good	1,746.94	2,136.48	19.19	-	-	-	3,902.61
	Allowance for doubtful debts*	-	-	-	-	-	-	-
	Total	**1,746.94**	**2,136.48**	**19.19**	**-**	**-**	**-**	**3,902.61**

*Allowance for doubtful debts include expected credit loss provision

(₹ lakh)

	Note 8 Cash and cash equivalents	As at March 31, 2026	As at March 31, 2025
a)	Balances with banks		
	In current accounts	547.20	66.83
		547.20	**66.83**

	Note 9 Equity share capital	As at March 31, 2026		As at March 31, 2025	
		Number of shares	₹ lakh	Number of shares	₹ lakh
a)	**Authorised**				
	Equity shares of ₹10 each	50,00,000	500.00	50,00,000	500.00
		50,00,000	**500.00**	**50,00,000**	**500.00**
b)	**Issued**				
	Equity shares of ₹10 each	50,00,000	500.00	50,00,000	500.00
		50,00,000	**500.00**	**50,00,000**	**500.00**
c)	**Subscribed**				
	Equity shares of ₹10 each, fully paid	50,00,000	500.00	50,00,000	500.00
		50,00,000	**500.00**	**50,00,000**	**500.00**

a) Rights, preferences and restrictions:

The Company has one class of shares referred to as equity shares having a par value of ₹10 each.

i) Equity shares:

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

Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The dividend proposed by the Board, if any, is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

b) Details of shareholders holding more than 5% of equity shares

No.	Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Ltd (Holding Company)	99.9999%	49,99,994	99.9999%	49,99,994

c) Reconciliation of the number of shares outstanding and the amount of equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ lakh	Number of shares	₹ lakh
Balance as at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Add: Issue of equity shares	-	-	-	-
Balance as at the end of the year	50,00,000	500.00	50,00,000	500.00

d) Shareholding of promoters

No.	Promoter name	As at March 31, 2026			As at March 31, 2025		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1.	Atul Ltd	49,99,994	99.9999%	0.00%	49,99,994	99.9999%	0.00%
2.	Atul Ayurveda Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
3.	Atul Consumer Products Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
4.	Atul Clean Energy Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
5.	Atul Entertainment Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
6.	Osia Infrastructure Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%
7.	Atul Crop Care Ltd	1	0.0000%	0.00%	1	0.0000%	0.00%

(₹ lakh)

Note 10 Other equity		As at March 31, 2026	As at March 31, 2025
Summary of other equity balance			
a)	Retained earnings	(2,085.66)	(6,543.86)
b)	Equity component of non-cumulative redeemable preference shares	49,897.26	49,897.26
Balance as at the end of the year		**47,811.60**	**43,353.40**

Refer Statement of changes in equity for detailed movement in other equity balance.

Nature and purpose of reserves

a) Retained earnings

Retained earnings are the profits that the Company has earned till date, less, any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

b) Equity component of non-cumulative redeemable preference shares

The Company has issued 9.5% non-cumulative redeemable preference shares of ₹ 84,121.85 lakh to Atul Ltd (Holding company). These financial liabilities are measured at amortised cost and the initial fair value difference is recognised as equity component of non-cumulative redeemable preference shares.

(₹ lakh)

Note 11 Borrowings		As at March 31, 2026		As at March 31, 2025	
		Non-current	Current	Non-current	Current
a)	9.5% non-cumulative redeemable preference shares	41,672.90	-	38,057.44	-
b)	Secured loan from financial institutions	14,281.26	420.13	14,701.39	420.13
	i) Secured loan from bank (refer Note a)	14,701.39	-	15,121.52	-
	ii) Amount of current maturities of long-term debt disclosed under the head 'current borrowing'	(420.13)	420.13	(420.13)	420.13
		55,954.16	**420.13**	**52,758.83**	**420.13**

Notes :

a) **Security details:**

Term loans from banks as on March 31, 2026: ₹14,701.39 lakh (March 31, 2025: ₹15,121.52 lakh) is secured by the whole immovable and movable properties including machinery, machinery spares, tools and accessories, inventory and other movable assets to the extent of bank limit.

b) **Terms | Rights attached to preference shares**

The Company has only one class of 9.5% non-cumulative redeemable preference shares having a par value of ₹10 per share. These shares are redeemable at par over a period of 12 years as per below repayment schedule.

(₹ lakh)

Particulars	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
9.5% non-cumulative redeemable preference shares of ₹10 each	16,534.37	16,824.37	16,824.37	16,824.37	16,824.37	290.00

c) **Preference share capital**

(₹ lakh)

Details of Preference share capital:	As at March 31, 2026	As at March 31, 2025
Authorised		
93,02,70,000 9.5% non-cumulative redeemable preference shares of ₹10 each	93,027.00	93,027.00
Issued, subscribed and paid-up		
84,12,18,500 (March 31, 2025 : 84,12,18,500) 9.5% non-cumulative redeemable preference shares of ₹10 each	84,121.85	84,121.85

d) The carrying amount of assets hypothecated | mortgaged as security for borrowing limits are:

(₹ lakh)

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	Property, plant and equipment	75,123.52	82,352.77
ii)	Capital work-in-progress	3.88	490.48
iii)	Trade receivables	3,477.21	3,902.61
iv)	Cash and cash equivalents	547.20	66.83
v)	Other current financial assets	345.89	507.46
vi)	Other current assets	24,215.91	2,907.71
vii)	Inventories	1,306.85	2,168.22
	Total assets as security	**1,05,020.46**	**92,396.08**

(₹ lakh)

Note 12 Provisions		As at March 31, 2026		As at March 31, 2025	
		Non-current	Current	Non-current	Current
a)	Provision for compensated absences	36.40	4.42	29.84	2.45
		36.40	**4.42**	**29.84**	**2.45**

Information about individual provisions and significant estimates

Compensated absences:

The compensated absences cover the liability for earned leave. Out of the total amount disclosed above, the amount of ₹4.42 lakh (March 31, 2025 : ₹ 2.45 lakh) is presented as current since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(₹ lakh)

Note 13 Trade payables		As at March 31, 2026	As at March 31, 2025
a)	Total outstanding dues of micro-enterprises and small enterprises (refer Note 25.09)	460.95	289.12
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises		
	i) Related parties (refer Note 25.02)	336.20	510.00
	Acceptances	84.64	-
	Payables	251.56	510.00
	ii) Others	2,326.72	1,350.95
		3,123.87	**2,150.07**

Trade payables ageing

(₹ lakh)

No.	Particulars	As at March 31, 2026 Outstanding for following periods from due date of payment						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	MSME - undisputed	64.46	396.49	-	-	-	-	460.95
2.	Others - undisputed	650.63	1,409.98	570.72	28.23	3.35	-	2,662.92
3.	MSME - disputed	-	-	-	-	-	-	-
4.	Others - disputed	-	-	-	-	-	-	-
	Total	**715.09**	**1,806.47**	**570.72**	**28.23**	**3.35**	**-**	**3,123.87**

(₹ lakh)

No.	Particulars	As at March 31, 2025 Outstanding for following periods from due date of payment						
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	MSME - undisputed	(287.30)	287.30	-	-	-	-	-
2.	Others - undisputed	(795.31)	661.22	641.55	2.54	-	-	510.00
3.	MSME - disputed	-	-	-	-	-	-	-
4.	Others - disputed	-	-	-	-	-	-	-
	Total	**(1,082.61)**	**948.52**	**641.55**	**2.54**	**-**	**-**	**510.00**

(₹ lakh)

Note 14 Other financial liabilities		As at March 31, 2026		As at March 31, 2025	
		Non-current	Current	Non-current	Current
a)	Employee benefits payable	-	322.37	-	96.10
b)	Security deposits	-	38.64	-	17.87
c)	Interest accrued, but not due	-	1.71	-	0.60
d)	Creditor for capital goods of micro-enterprises and small enterprises (refer Note 25.09)	-	335.08	-	452.69
e)	Creditor for capital goods other than micro-enterprises and small enterprises				
	i) Related parties (refer Note 25.02)	-	5.01	-	3.13
	ii) Others	-	527.66	-	2,361.98
		-	**1,230.47**	**-**	**2,932.37**

(₹ lakh)

Note 15 Contract liabilities		As at March 31, 2026	As at March 31, 2025
a)	Advances received from customers	256.97	68.53
		256.97	**68.53**

Movement in advances received from customer

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	68.53	412.26
Advance received during the year	19,714.88	11,616.38
Revenue recognised | other adjustment (net) during the year	19,526.44	11,960.11
Balance as at the end of the year	**256.97**	**68.53**

(₹ lakh)

Note 16 Other current liabilities		As at March 31, 2026		As at March 31, 2025	
		Non-current	Current	Non-current	Current
a)	Statutory dues	-	46.98	-	54.42
b)	Deferred government grant	94.86	13.45	-	-
c)	Others	-	4.74	-	-
		94.86	**65.17**	**-**	**54.42**

(₹ lakh)

Note 17 Revenue from operations	2025-26	2024-25
Sale of products		
Sale of chemicals	29,540.87	21,205.25
Sale of utilities	17,890.64	14,003.04
Sale of services	2,897.19	46.48
Revenue from contracts with customers	**50,328.70**	**35,254.77**
Other operating revenue:		
Scrap sales | other revenue	31.07	34.74
	50,359.77	**35,289.51**

Reconciliation of revenue from contracts with customers recognised at contract price :

(₹ lakh)

Particulars	2025-26	2024-25
Contract price	55,567.13	38,978.16
Adjustments for:		
Consideration payable to customers - discounts[1]	(5,238.43)	(3,723.39)
Revenue from contract with customers	**50,328.70**	**35,254.77**

[1]Consideration payable to customers like discounts are estimated on specific identified basis and reduced from the contract price when the Company recognises revenue from the transfer of the related goods or services to the customer and the entity pays or promises to pay the consideration.

(₹ lakh)

Note 18 Other income	2025-26	2024-25
Interest Income		
Interest income from financial assets measured at amortised cost	4.14	18.14
Interest from others	2.31	0.20
	6.45	**18.34**
Other non-operating income		
Insurance claim	424.67	-
Net gain on fair value of investments measured at FVTPL	887.10	47.94
Interest subsidy	1,536.64	-
Amortisation of interest subsidy	13.45	-
Miscellaneous income	56.72	4.02
	2,918.58	**51.96**
	2,925.03	**70.30**

(₹ lakh)

Note 19 Cost of materials consumed	2025-26	2024-25
Raw materials and packing materials consumed		
Stocks at commencement	409.02	522.01
Add : Purchase	5,117.01	4,577.95
	5,526.03	**5,099.96**
Less : Stocks at close	273.31	409.02
	5,252.72	**4,690.94**

(₹ lakh)

Note 20 Changes in inventories of finished goods, work-in-progress and stock-in-trade	2025-26	2024-25
Stocks at close		
Finished goods and work-in-progress	309.41	109.42
Stock-in-trade	-	12.39
	309.41	**121.81**
Less : Stocks at commencement		
Finished goods and work-in-progress	109.42	177.44
Stock-in-trade	12.39	-
	121.81	**177.44**
(Increase) | decrease in stocks	**(187.60)**	**55.63**

(₹ lakh)

Note 21 Power, fuel and water	2025-26	2024-25
Power, fuel and water	24,009.25	17,439.91
	24,009.25	**17,439.91**

(₹ lakh)

Note 22 Employee benefit expenses	2025-26	2024-25
Salaries, wages and bonus	958.36	643.37
Contribution (net) to provident and other funds (refer Note 25.1)	36.61	32.13
Staff welfare	18.42	13.62
	1,013.39	**689.12**

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four labour codes collectively referred to as the 'New Labour Codes' on November 21, 2025. Accordingly, the Company has assessed the impact of these changes and based on certain estimates and actuarial valuation, has made an incremental provision of ₹18.46 lakh under employee benefit expenses in the Financial Statements ended on March 31, 2026, considering information available. The Company continues to monitor the finalisation of the Central I State rules and clarifications from the Government on the New Labour Codes and will recognise the impact of change in the estimate in that period, as needed.

(₹ lakh)

Note 23 Finance costs	2025-26	2024-25
Interest on borrowings - secured loan	976.67	1,154.99
Interest on preference shares	3,615.46	3,285.85
Interest on lease liabilities	14.51	15.80
Interest on others	0.94	1.19
Other borrowing costs		
- Corporate guarantee charges	75.89	75.89
	4,683.47	**4,533.72**

(₹ lakh)

Note 24 Other expenses	2025-26	2024-25
Plant operation charges	33.47	10.80
Freight and cartage	1,209.52	474.63
Effluent treatment expenses	51.33	30.33
Security services	16.62	-
Manpower services	811.10	512.26
Legal and professional expenses	73.28	60.67
Consumption of stores & spares	123.52	119.19
Plant and equipment repairs	913.08	821.19
Building repairs	143.78	74.30
Sundry repairs	90.22	101.08
Rent	53.39	23.93
Rates and taxes	413.07	75.09
Insurance	219.57	176.03
Travelling and conveyance	0.54	0.45
Remuneration to the Statutory Auditors		
a) Audit fees	8.25	8.25
b) Tax audit fees	2.13	1.00
c) Other matters	0.02	-
d) Out of pocket expenses	0.48	0.11
Loss on assets sold or discarded (net)	-	23.68
Exchange rate difference - loss (net)	1.02	3.10
Group management fees	338.17	-
Miscellaneous expenses	116.10	44.04
	4,618.66	**2,560.13**

Note 25.01 Commitments and contingent liabilities

Capital commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
For purchase of property, plant and equipment	88.53	653.50

Contingent liabilities

The Company does not have any contingent liability or disputable claims as at March 31, 2026 and March 31, 2025.

Corporate guarantees

The Company has not provided any corporate guarantees or any security as at March 31, 2026 as well as March 31, 2025 for loans or any other financial aid obtained by its holding company, any group entities or by any other person.

Note 25.02 Related party disclosures

Note 25.02 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
01.	Atul Ltd	Holding company
02.	Amal Speciality Chemicals Ltd	Subsidiary of Holding company
03.	Atul Bioscience Ltd	Subsidiary of Holding company
04.	Atul Fin Resources Ltd	Subsidiary of Holding company
05.	Atul Infotech Pvt Ltd	Subsidiary of Holding company
06.	Osia Infrastructure Ltd	Subsidiary of Holding company
07.	Rudolf Atul Chemicals Ltd	Joint venture of Holding company
08.	Atul Foundation Health Centre	Entities over which Key Management Personnel of Holding company or their close family members have significant influence
	Key management personnel	
01.	Lalit Patni	Non-executive Director
02.	Vivek Gadre	Non-executive Director
03.	Rajeev Kumar	Non-executive Director
04.	Bharatkumar Joshi	Non-executive Director
05.	Sudhakara Shetty	Whole time Director and Occupier

(₹ lakh)

Note 25.02 (B) Transactions with holding company		2025-26	2024-25
a)	**Sales and income**		
	1. Sale of goods	22,478.02	18,821.70
	2. Service charges received	2,897.19	46.48
	3. Sale of Assets	-	142.94

(₹ lakh)

Note 25.02 (B) Transactions with holding company		2025-26	2024-25
b)	**Purchases and expenses**		
	1. Purchase of goods and services	1,571.77	1,959.86
	2. Service charges	874.58	254.41
	3. Reimbursement of expenses	203.11	49.33
	4. Lease rent expense	30.51	30.51
	5. Purchase of assets	26.35	90.63
c)	**Other transactions**		
	1. Investment in 9.5 % non-cumulative redeemable preference shares	-	1,450.00

(₹ lakh)

Note 25.02 (C) Transactions with subsidiary of holding company		2025-26	2024-25
a)	**Purchases and expenses**		
	1. Purchase of goods and services:	**41.65**	**76.14**
	Osia Infrastructure Ltd	11.66	42.75
	Atul Biospace Ltd	-	0.13
	Amal Speciality Chemicals Ltd	6.31	9.75
	Atul Infotech Pvt Ltd	23.69	23.51
b)	**Sales and income**		
	1. Sale of goods	**68.20**	**72.05**
	Atul Bioscience Ltd	68.20	72.05

(₹ lakh)

Note 25.02 (D) Transactions with joint venture of holding company		2025-26	2024-25
a)	**Sales and income**		
	1. Sale of goods	**26.08**	**8.24**
	Rudolf Atul Chemicals Ltd	26.08	8.24
a)	**Purchase and expenses**		
	1. Purchase of goods and services:	**-**	**0.03**
	Anaven LLP	-	0.03

(₹ lakh)

Note 25.02 (E) Transactions with entities over which key magagement personnel of Holding company or their close family members have significant influence		2025-26	2024-25
a)	**Purchase and expenses**		
	1. Purchase of goods and services including reimbursement of expenses, if any:	**13.89**	**9.37**
	Atul Foundation Health Centre	13.89	9.37

(₹ lakh)

Note 25.02 (F) Outstanding balances as at year end		As at March 31, 2026	As at March 31, 2025
a)	**With Holding company**		
1	9.5% non-cumulative redeemable preference shares (face value)	84,121.85	84,121.85
2	Payables	246.90	503.99
3	Receivables	865.22	2,519.79
4	Corporate guarantee	15,178.00	15,178.00
b)	**With subsidiary of Holding company**		
1	Payables:	**6.80**	**9.50**
	Osia Infrastructure Ltd	6.80	3.13
	Atul Bioscience Ltd	-	0.02
	Atul Infotech Pvt Ltd	-	6.35
2	Receivables:	**5.37**	**32.20**
	Atul Bioscience Ltd	5.37	32.20
3	Acceptances:	**84.64**	**-**
	Atul Fin Resources Ltd	84.64	-
c)	**With joint venture of Holding company**		
1	Receivables	**3.00**	**2.76**
	Rudolf Atul Chemicals Ltd	3.00	2.76
d)	**Transactions with entities over which key magagement personnel of Holding company or their close family members have significant influence**		
1	Payables	**2.88**	**-**
	Atul Foundation Health Centre	2.88	-

Note 25.02 (H) Terms and conditions

1 Sales to and purchases from related parties were made on normal commercial terms and conditions and at prevailing market prices or where market price is not available, at cost plus margin.

2 All outstanding balances other than corporate guarantee are unsecured and are repayable in cash and cash equivalent.

Note 25.03 Current and deferred tax

a) Income tax expense recognised in the Statement of Profit and Loss

(₹ lakh)

	Particulars	2025-26	2024-25
i)	**Current tax**		
	Current tax on profit for the year	-	-
	Adjustments for current tax of prior periods	-	(0.09)
	Total current tax expense	**-**	**(0.09)**
ii)	**Deferred tax**		
	(Decrease) | increase in deferred tax liabilities	4,380.74	3,259.41
	Decrease | (increase) in deferred tax assets	3,205.70	3,715.04
	(Increase) | decrease in deferred tax assets recognised to the extent of deferred tax liabilities	3,205.70	3,259.41
	Total deferred tax expense | (benefit)	**1,175.04**	**-**
	Income tax expense	**1,175.04**	**(0.09)**

b) Income tax assets

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	34.76	10.31
Add: Taxes paid in advance	105.49	39.81
Less: Refund received (net off interest)	(41.92)	(15.36)
Less: Current tax provision	-	-
Closing balance	**98.33**	**34.76**

c) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows

Particulars	2025-26	2024-25
a) Statutory income tax rate	17.16%	17.16%
b) Differences due to:		
i) Non-deductible expenses	11.03%	(20.18%)
ii) Income Tax rate difference on capital gain	1.09%	0.00%
iii) Set off earlier year losses against profit of current year	(9.14%)	0.00%
iv) Others	0.74%	3.02%
Effective income tax rate	**20.88%**	**0.00%**

d) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

(₹ lakh)

Particulars	As at March 31, 2026	(Charged) | Credited to profit or loss	As at March 31, 2025	(Charged) | Credited to profit or loss	As at March 31, 2024
Property, plant and equipment	4,177.40	(4,177.40)	-	-	
Unrealised gain on mutual fund	203.34	(203.34)	-	-	
Total deferred tax liabilities	**4,380.74**	**(4,380.74)**	**-**	**-**	**-**
Provision for leave encashment	7.01	(7.01)	-	-	-
Lease	2.96	(2.96)	-	-	-
Unabsorbed depreciation	3,157.15	(3,157.15)	-	-	-
Share issue expenses	23.12	(23.12)	-	-	-
Expense allowed on payment basis	15.46	(15.46)	-	-	-
Total deferred tax assets	**3,205.70**	**(3,205.70)**	**-**	**-**	
Net deferred tax liabilities | (assets)	**1,175.04**	**(1,175.04)**	**-**	**-**	-

Note 25.04 Fair value measurements

(₹ lakh)

Particulars	As at March 31, 2026			As at March 31, 2025		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments:						
Mutual funds	22,838.99	-	-	2,844.01	-	-
Trade receivables	-	-	3,477.21	-	-	3,902.61
Other financial assets	-	-	330.91	-	-	265.47
Other receivables	-	-	14.98	-	-	507.46
Cash and cash equivalents	-	-	547.20	-	-	66.83
Total financial assets	**22,838.99**	**-**	**4,370.30**	**2,844.01**	**-**	**4,742.37**
Financial liabilities						
Borrowings	-	-	56,374.29	-	-	53,178.96
Lease liabilities	-	-	148.91	-	-	164.90
Trade payables	-	-	3,123.87	-	-	2,150.07
Other financial liabilities	-	-	1,230.47	-	-	2,932.37
Total financial liabilities	**-**	**-**	**60,877.54**	**-**	**-**	**58,426.30**

a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognised and measured at fair value and b) measured at amortised 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 3 levels prescribed in the Indian Accounting Standard. An explanation of each level follows underneath the table:

(₹ lakh)

Financial assets and liabilities measured at fair value as at March 31, 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL:				
Mutual funds at FVTPL	-	22,838.99	-	22,838.99
Total financial assets	**-**	**22,838.99**	**-**	**22,838.99**

(₹ lakh)

[1]The change in the unobservable inputs for unquoted equity instruments does not have a significant impact in its value

Financial assets and liabilities measured at fair value as at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL:				
Mutual funds at FVTPL	-	2,844.01	-	2,844.01
Total financial assets	**-**	**2,844.01**	**-**	**2,844.01**

There were no transfers between any levels during the year.

Level 1: This includes financial instruments measured using quoted prices. The fair value of all equity instruments that are traded on the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The mutual fund units are valued using the closing net assets value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

i) the use of quoted market prices or dealer quotes for similar instruments

ii) the fair value of the remaining financial instruments is determined using discounted cash flow analysis

c) Valuation processes

The Finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

d) Fair value of financial assets and liabilities measured at amortised cost

(₹ lakh)

Particulars	As at March 31, 2026 Carrying amount | Fair value	As at March 31, 2025 Carrying amount | Fair value
Financial assets		
Trade receivable	3,477.21	3,902.61
Other financial assets	330.91	265.47
Other receivables	14.98	507.46
Total financial assets	**3,823.10**	**4,675.54**
Financial liabilities		
Borrowings	56,374.29	53,178.96
Lease liabilities	148.91	164.90
Trade payables	3,123.87	2,150.07
Other financial liabilities	1,230.47	2,932.37
Total financial liabilities	**60,877.54**	**58,426.30**

The carrying amounts of cash and cash equivalents is considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Note 25.05 Financial risk management

Risk management is an integral part of the business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. The Company has developed and implemented a comprehensive risk management system to ensure that risks to the continued existence of the Company as a going concern and to its growth are identified and remedied on a timely basis. While defining and developing the formalised risk management system, leading standards and practices have been considered. The risk management system is relevant to business reality, pragmatic and simple and involves the following:

i) Risk identification and definition: Focused on identifying relevant risks, creating | updating clear definitions to ensure undisputed understanding along with details of the underlying root causes | contributing factors.

ii) Risk classification: Focused on understanding the various impacts of risks and the level of influence on its root causes. This involves identifying various processes generating the root causes and clear understanding of risk interrelationships.

iii) Risk assessment and prioritisation: Focused on determining risk priority and risk ownership for critical risks. This involves assessment of the various impacts taking into consideration risk appetite and existing mitigation controls.

iv) Risk mitigation: Focused on addressing critical risks to restrict their impact(s) to an acceptable level (within the defined risk appetite). This involves a clear definition of actions, responsibilities and milestones.

v) Risk reporting and monitoring: Focused on providing to the Board periodic information on risk profile evolution and mitigation plans.

a) Management of liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents and investment in mutual funds, borrowings and the cash flow that is generated from operations. It believes that the current cash and cash equivalents, tied up borrowing lines and cash flow that are generated from operations are sufficient to meet the requirements. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows including contractual interest payment, as at the Balance Sheet date:

(₹ lakh)

As at March 31, 2026	Less than 1 year	More than 1 year	Total
Borrowings	420.13	55,954.16	56,374.29
Lease liabilities	17.40	131.51	148.91
Trade payables	3,123.87	-	3,123.87
Other financial liabilities	1,230.47	-	1,230.47

(₹ lakh)

As at March 31, 2025	Less than 1 year	More than 1 year	Total
Borrowings	420.13	52,758.83	53,178.96
Lease liabilities	15.99	148.91	164.90
Trade payables	2,150.07	-	2,150.07
Other financial liabilities	2,932.37	-	2,932.37

b) Interest rate risk

The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

As an estimation of the approximate impact of interest rate risk, with respect to borrowings, the Company has calculated the impact of 25 bps change in variable interest rates. A 25 bps increase in variable interest rates would have led to approximately an additional ₹ 36.75 lakh (2024-25: ₹ 37.80 lakh) expenses in the Statement of Profit and Loss. A 25 bps decrease in variable interest rate would have led to an equal but opposite effect.

c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost or fair value through profit and loss and deposits with banks and financial institutions, as well as credit exposure to trade | non-trade customers including outstanding receivables. Credit risk is managed through policy surrounding credit risk management.

i) Credit risk management

Credit risk is managed through the policy surrounding Credit risk management.

ii) Provision for expected credit losses

d) Price risk

Exposure

The Company is mainly exposed to the price risk due to its investments in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments in mutual funds. The Company maintains its portfolio in accordance with the framework set by the risk management policies.

Sensitivity

(₹ lakh)

Particulars	Impact in the Statement of Profit and Loss	
	March 31, 2026	March 31, 2025
Price increase by 1%*	228.39	28.44
Price decrease by 1%*	(228.39)	(28.44)

* Ceteris Paribus

Trade receivables

Trade receivables consists of customers, for which ongoing credit evaluation is performed on the financial condition of the account receivables. Trade receivables are secured by insurance and based on historical experience of collecting receivables by the Company, credit risk is perceived to be low.

Note 25.06 Capital management

The primary objective of capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company . The company monitors capital using debt-equity ratio, which is total debt divided by total equity.

For the purpose of capital management, the company considers the following components of its balance sheet to manage capital:

Total equity includes general reserve, retained earnings, other equity and share capital. Total debt includes current debt plus non-current debt.

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Total debt	56,374.29	53,178.96
Total equity	48,311.60	43,853.40
Debt-equity ratio (%)	117%	121%

Note 25.07 Segment information

The Company operates in a single business segment that is manufacturing of bulk chemicals. There are no separate reportable segments as per Ind AS - 108 on 'Operating Segment' and no further disclosures are required.

During the year, out of total sales, the Company has made sales to two customers to whom sales exceed 10% of the total revenue of the Company. The total revenue from these customers amounts to ₹ 31,474.02 lakh (2024-25: ₹18,868.18 lakh).

Note 25.08 Earnings per share

Earnings per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2025-26	2024-25
Profit | (Loss) for the year attributable to the equity shareholders	₹ *lakh*	4,452.21	(2,823.80)
Weighted average number of equity shares outstanding during the year	Number	50,00,000	50,00,000
Nominal value of equity share	₹	10.00	10.00
Basic EPS	₹	89.04	(56.48)
Diluted EPS	₹	89.04	(56.48)

Note 25.09 Disclosure requirement under MSMED Act, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	796.03	741.81
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

Above disclosures have been made based on information available with the Company, for suppliers who are registered as Micro, Small and Medium Enterprise under 'The Micro, Small and Medium Enterprise Development Act, 2006' as at March 31, 2026. The auditors have relied upon in respect of this matter.

Note 25.10 Employee benefit obligations

Funded schemes

a) Defined benefit plan

Gratuity

The Company operates a defined benefit plan (the gratuity plan). Every employee is entitled to a benefit equivalent to the last drawn salary of 15 days for each completed year of service as per Payment of Gratuity Act, 1972 till November 20, 2025, and thereafter the Code on Social Security, 2020. Accordingly, Gratuity is calculated based on wages with applicable cap as per prevailing Act or the Company scheme, whichever is more beneficial to employees. Gratuity is payable at the time of separation or retirement from the Company, whichever is earlier. The benefit vests after five years of continuous service.

The defined benefit plan for gratuity of the Company is administered by separate gratuity funds that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan. The funding of these plans are based on gratuity fund's actuarial measurement framework set out in the funding policies of the plan. Employees do not contribute to any of these plans.

(₹ lakh)

Particulars	Present value of obligation	Fair Value of Plan assets	Net amount
As at April 01, 2024	**5.80**	**-**	**5.80**
Current service cost	7.77	-	7.77
Past service cost	-	-	-
Interest expense | (income)	0.43	-	0.43
Total amount recognised in profit and loss	**8.20**	**-**	**8.20**
Remeasurements			
Liability transferred in | acquisitions	2.93	-	2.93
(Liability transferred out)	(0.14)	-	(0.14)
Return on plan assets, excluding amount included in interest expense | (income)	-	(0.45)	(0.45)
(Gain) | loss from change in demographic assumptions	3.22	-	3.22
(Gain) | loss from change in financial assumptions	0.46	-	0.46
Experience (gains) | losses	1.64	-	1.64
Total amount recognised in other comprehensive income	**5.33**	**(0.45)**	**4.88**
Employer contributions	-	(14.91)	(14.91)
Benefit payments	-	-	-
As at March 31, 2025	**22.12**	**(15.36)**	**6.76**
Current service cost	13.94	-	13.94
Past service cost	18.46	-	18.46
Interest expense | (income)	2.02	(0.67)	1.35
Total amount recognised in profit and loss	**34.42**	**(0.67)**	**33.76**
Remeasurements			
Liability transferred in a acquisitions	2.13	-	2.13
(Liability transferred out)	(0.58)	-	(0.58)
Return on plan assets, excluding amount included in interest expense | (income)	-	0.21	0.21
(Gain) | loss from change in demographic assumptions	(3.40)	-	(3.40)
(Gain) | loss from change in financial assumptions	(2.38)	-	(2.38)
Experience (gains) | losses	(1.66)	-	(1.66)
Total amount recognised in other comprehensive income	**(7.44)**	**0.21**	**(7.23)**
Employer contributions	-	(10.00)	(10.00)
Transfer in liability and assets	-	-	-
Benefit payments	-	-	-
As at March 31, 2026	**50.66**	**(25.82)**	**24.84**

The net liability disclosed above relates to following funded and unfunded plans:

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of funded obligations	50.66	22.12
Fair value of plan assets	(25.82)	(15.36)
Deficit of gratuity plan recognised as provision (refer Note 12)	**24.84**	**6.76**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Mortality rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Discount rate	7.14%	6.71%
Attrition rate	13.00%	10.00%
Salary escalation rate	10.00%	10.07%

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
	As at March 31, 2026	As at March 31, 2025	Increase in assumptions		Decrease in assumptions	
			As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Discount rate	1.00%	1.00%	(7.64%)	(10.48%)	8.80%	12.50%
Attrition rate	1.00%	1.00%	(2.90%)	(4.76%)	3.15%	5.31%
Salary escalation rate	1.00%	1.00%	8.28%	11.97%	(7.48%)	(10.27%)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the 2024-25.

Major categories of plan assets are as follows:

(₹ lakh)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Unquoted	%	Unquoted	%
Insurance funds	25.82	100.00%	15.36	100.00%
	25.82	**100.00%**	**15.36**	**100.00%**

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

1. **Interest rate risk**

   A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

2. **Salary risk**

   The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the liability of the plan.

Expected future cash flows:

The expected future cash flows in respect of gratuity as at balance sheet date will be as follows:

(₹ lakh)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Defined benefit obligation (gratuity)					
As at March 31, 2026	1.20	2.90	16.36	85.68	106.13
As at March 31, 2025	0.22	0.23	4.75	52.15	57.35

b) Defined contribution plans

Provident fund

The Company pays provident fund contributions to registered provident fund administered by the government at the rate of 12% of basic salary as per regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is of ₹30.88 lakh (March 31, 2025: ₹27.28 lakh).

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market and mortality rates, obtained from the relevant data.

Other long term employee benefits

c) Compensated absences

	Particulars	Compensated Absences	
		As at March 31, 2026	As at March 31, 2025
i)	Mortality rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
ii)	Present value of unfunded obligations (refer Note 12)	40.82	32.29
iii)	Expense recognised in the statement of profit and loss | capitalised (including encashment paid during the year)	10.12	19.19
iv)	Discount rate (per annum)	7.14%	6.71%
v)	Salary escalation rate (per annum)	10.00%	10.07%
vi)	Attrition rate	13.00%	10.00%

Note 25.11 Leases

As a lessee

i) Following are the changes in the carrying value of right-of-use assets (Land)

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**151.39**	**171.14**
Depreciation | amortisation	(19.74)	(19.75)
Balance at the end of the year	**131.65**	**151.39**

ii) Following movement in lease liabilities

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**164.90**	**179.60**
Finance cost accrued	14.51	15.80
Payment of lease liabilities	(30.50)	(30.50)
Balance at the end of the year	**148.91**	**164.90**

iii) The following table provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

(₹ lakh)

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	30.50	30.50
One to five years	122.00	122.00
More than five years	50.83	81.33
Balance at the end of the year	**203.33**	**233.83**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Cash payments for the principal portion and interest of the lease liabilities are classified within financing activities and short-term lease payments within operating activities.

Note 25.12 Ratios

No.	Ratio	UOM	Formula	March 31, 2026	March 31, 2025	% Variance	Reason for variance
a)	Current ratio	Times	A ÷ B	6.56	2.38	175%	Due to increase in investment of surplus funds
b)	Debt-equity ratio	Times	I ÷ H	1.17	1.21	-4%	Below threshold of 25%
c)	Debt service coverage ratio	Times	S ÷ T	11.47	7.33	56%	Due to increase in profits
d)	Return on Equity ratio	%	P ÷ average of H	9.66%	-6.31%	253%	Due to increase in profits
e)	Inventory turnover ratio	Times	L ÷ average of D	28.98	21.56	34%	Due to increase in business operations
f)	Trade receivables turnover ratio	Times	L ÷ average of E	13.65	12.07	13%	Below threshold of 25%
g)	Trade payables turnover ratio	Times	R ÷ average of G	12.86	4.14	211%	Due to increase in business operations
h)	Net capital turnover ratio	Times	L ÷ average of C	2.78	10.17	-73%	Due to incease in working capital
i)	Net profit ratio	%	P ÷ L	8.84%	-8.00%	210%	Due to increase in profits
j)	Return on capital employed	%	(M + O) ÷ average of K	10.25%	1.82%	464%	Due to increase in profits
k)	Return on investment	%					
i)	In Mutual Funds	%	U ÷ V	6.91%	7.98%	-13%	Below threshold of 25%

No.	Base values	UoM	Reference	As at March 31, 2026	As at March 31, 2025
A	Current assets	₹ lakh	Balance Sheet (current assets)	33,577.81	13,442.98
B	Current liabilities	₹ lakh	Balance Sheet (current liabilities)	5,118.43	5,643.96
C	Working capital	₹ lakh	A-B	28,459.38	7,799.02
D	Inventories	₹ lakh	Balance Sheet	1,306.85	2,168.22
E	Trade receivables	₹ lakh	Balance Sheet	3,477.21	3,902.61
F	Total assets	₹ lakh	Balance Sheet (total assets)	1,10,822.00	1,02,434.94
G	Trade payables	₹ lakh	Balance Sheet	3,123.87	2,150.07
H	Equity	₹ lakh	Balance Sheet	48,311.60	43,853.40
I	Debt	₹ lakh	Balance Sheet	56,374.29	53,178.96
J	Principal repayments	₹ lakh	Balance Sheet	420.13	56.71
K	Capital employed	₹ lakh	H + I - capital work-in-progress	1,04,682.01	96,541.88
L	Net sales	₹ lakh	Statement of Profit and Loss	50,359.77	35,289.51
M	Finance cost	₹ lakh	Statement of Profit and Loss	4,683.47	4,533.72

No.	Base values	UoM	Reference	As at March 31, 2026	As at March 31, 2025
N	Depreciation	₹ lakh	Statement of Profit and Loss	8,103.66	7,952.50
O	PBT	₹ lakh	Statement of Profit and Loss	5,626.01	(2,823.89)
P	PAT	₹ lakh	Statement of Profit and Loss	4,452.21	(2,823.80)
Q	Net operating income	₹ lakh	M + N + P	17,239.34	9,662.42
R	Total operating purchase	₹ lakh	Purchase + Other expenses + Power, fuel and water	33,910.16	20,261.79
S	Earnings available for debt service	₹ lakh	Net Profit after taxes + depreciation and amortizations + Interest	17,239.34	9,662.42
T	Debt service	₹ lakh	Interest + Lease Payments + Principal Repayments (as per terms)	1,503.19	1,318.09
U	Gain on Mutual Fund Investment	₹ lakh	Realised + Unrealised Gain - Stamp Duty on purchase	887.10	47.94
V	Annualised Weighted Average Investment in Mutual Fund	₹ lakh	Weighted Average Investment in Mutual Fund based on daily investment during the year	12,841.35	600.86

On the basis of the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, plans and business assumptions, the Company is confident that no material uncertainty exists as on date that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due.

Note 25.13 Other statutory information (required by schedule III to the Companies Act 2013)

a) The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

b) The Company has compiled with the number of layers prescribed under Clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

c) The Company is not declared wilful defaulter by any bank or financial institution or other lender.

d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

e) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year

f) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

g) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.

h) There were no loans, advances and investments made in intermediary company.

i) The company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.

j) There is no charge creation, modification, or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

k) The company has not entered into any non-cash transactions with directors or any person connected with the directors.

Note 25.14 Relationship with struck off companies

There were no transactions or balances with struck off companies.

Note 25.15 Rounding off

Figure less than ₹ 500 have been shown as ‘0.00’ in the relevant notes in these Financial Statements.

Note 25.16 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on April 15, 2026

In terms of our report attached	For and on behalf of the Board of Directors
For B R Shah & Associates Chartered Accountants FRN: 129053W	Bharat Joshi (DIN: 02952299) **Director**
Deval Desai **Partner** Membership number: 132426	Lalit Patni (DIN:02564572) **Director**
Ahmedabad April 15, 2026	Atul April 15, 2026