

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

To the Members of Kothari Petrochemicals Limited REPORT ON THE AUDIT OF THE INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Ind AS financial statements of Kothari Petrochemicals Limited ("the Company"), which comprise the balance sheet as at March 31, 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards specified under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising profit after tax and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

S. No.	Key Audit Matter	Principal Audit Procedures
1	Investments As on 31 st March 2026, the Company has significant investment in various financial instruments. The amount of investments has been considered a key audit matter given the relative size of the balance in the financial statements.	Our audit procedures included: ➤ We have tested the design and operating effectiveness of controls with regard to acquisition as well as redemption of investments. ➤ We have reviewed the board minutes as well as the investment policy to ensure that the investments made are in compliance with them. ➤ We have verified the fund statements received from the respective fund houses, Demat Holding Statements and internal MIS of the management to evaluate the correctness of the investments reported in the balance sheet.
2	Quantity of raw materials Significant portion of the material procurement is through pipelines and tankers are accounted on a weight basis. The procurement methodology also involves raw materials extraction from input feed and return of residues & effluents through the pipelines to the vendor. Hence, any variance in the ascertainment of the quantity purchased may have a significant impact on the cost of materials.	Our audit procedures included: ➤ Assessment of internal controls over ascertaining the quantity of purchase for which payment is made. ➤ Assessment of controls over calibration system of the weighing and measuring equipment. ➤ Assessment of controls over periodical stock-taking and the related procedures.

Other information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, including the annexure thereto and Report on Corporate Governance but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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.

Responsibilities of management and those charged with governance for the Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Ind AS Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

13. 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 Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash

Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2014.
- (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has adequately disclosed pending litigation under Note 37 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts on which there were material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under (a) and (b) above, contain any material misstatement.
- (v) The dividend paid during the financial year 2025-26 is in compliance with the provisions of section 123 of the Act.
- (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit-log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the Company as per the statutory requirements for record retention.
- For P. CHANDRASEKAR LLP**
Chartered Accountants
FRN: 000580S/S200066
- Raghavendhar Sekhar**
Partner
M. No.: 244016
UDIN : 26244016JUCQUF5729
- Place : Chennai**
Date : 05th May 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT.

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Kothari Petrochemicals Limited on the Ind AS financial statements as of and for the year ended March 31, 2026.

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

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a. (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment, investment property and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b. As explained to us, the property, plant and equipment, investment property and right-of-use assets are physically verified by the Management at reasonable intervals; no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and based on the examination of the documents provided to us, we report that the title deeds of all the immovable properties of land and buildings as disclosed in the Ind AS financial statements are held in the name of the Company as at the Balance Sheet date.

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

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

(ii) a. The Management has conducted physical verification of inventory at reasonable intervals. In our opinion, the coverage and procedure of such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

b. The Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks during the year on the basis of security of the current assets of the Company. The quarterly

returns filed by the Company with the bank are in agreement with the books of accounts of the Company.

(iii) a. During the year the Company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence reporting under clause (iii) (a) of the Order is not applicable.

b. The investments made during the year are not prejudicial to Company's interest. Further the Company has not provided guarantees, security or granted loans or advances in the nature of loans to Companies, Firms, Limited Liability Partnerships or any other parties, consequently requirement to report on these under clause (iii)(b) to clause (iii)(f) of the Order is not applicable.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the investments made by it. The Company has not provided any loans or guarantee or security as covered under Section 185 or 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us and based on our audit procedures, we report that:

(a) the Company is regular in depositing with the appropriate authorities the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, Goods and Service Tax to the appropriate authorities. There were no undisputed amounts payable which were in arrears as at March 31, 2026 for a period of more than six months from the date they become payable.

- (b) the Company has no disputed dues of Income Tax, Sales Tax, Excise Duty, Customs Duty and Value Added Tax which have not been deposited as on March 31, 2026. Details of dues of Goods and Services Tax not deposited on account of disputes as of March 31, 2026 is given below:

Name of Statute	Nature of Dues	Amount* (in lakhs)	Forum where the dispute is pending	Period to which the dues belong to
Central Goods and Services Tax Act, 2017	GST	25.82	Commissioner GST (Appeals)	FY 2017-18 to FY 2020-21
Central Goods and Services Tax Act, 2017	GST	20.06	Madras High Court	FY 2021-22 to FY 2023-24

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3 (viii) of the Order is not applicable to the Company.
- (ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not obtained any loans or borrowings from any lender during the year 2025-26. Accordingly, reporting under clause (ix)(a) is not applicable.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company had not obtained any term loan during the year 2025-26. Consequently, reporting under clause (ix)(c) is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long term purpose by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report under clause (ix) (e) and clause (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause (x) (a) of the Order is not applicable.
- (b) On an overall examination of the financial statements, we report that the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, reporting under clause (x) (b) of the Order is not applicable.
- (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 instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There were no whistle blower complaints received by the Company during the year.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting requirements of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures prescribed under Section 133 of the Act.
- (xiv) a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with the director or persons connected with them as referred to in Section 192 of the Companies Act, 2013.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

- (b) The Company has not conducted any non-banking or housing finance activities.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3 (xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the meetings 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 the Company is not capable of meeting its liabilities existing at the date of the 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 upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) (a) The Company has spent the minimum amount required to be spent on Corporate Social Responsibility (CSR), as stipulated in section 135 of the Companies Act. Therefore, no unspent amount is required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 within a period of six months of the expiry of the financial year, in compliance with second proviso to sub-section 5 of section 135 of the Act. Accordingly, clause 3(xx)(a) of the Order is not applicable.

- (b) The Company does not have any unspent amount towards CSR on ongoing projects requiring a transfer to a distinct account in compliance with provisions of sub-section (6) of section 135 of the said Act.

For P. CHANDRASEKAR LLP
 Chartered Accountants
 FRN: 000580S/S200066

Raghavendhar Sekhar
 Partner

Place : Chennai
Date : 05th May 2026

M. No.: 244016
 UDIN: 26244016JUCQUF5729

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT.

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Kothari Petrochemicals Limited on the Ind AS financial statements as of and for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of **Kothari Petrochemicals Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and

dispositions of the assets of the company; (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 with reference to Financial Statements

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

Opinion

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

For P. CHANDRASEKAR LLP
 Chartered Accountants
 FRN: 000580S/S200066

Raghavendhar Sekhar
 Partner

Place : Chennai
Date : 05th May 2026

M. No.: 244016
 UDIN : 26244016JUCQUF5729

BALANCE SHEET AS AT MARCH 31, 2026

(₹ in Lakhs)

	Particulars	Note No.	As at 31.03.2026	As at 31.03.2025
I	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	2(a)	19,702.57	19,205.13
	Capital work-in-progress	2(b)	818.02	195.62
	Investment Property	3	1,488.36	1,512.62
	Other Intangible assets other than goodwill	4(a)	57.95	62.86
	Right-of-use assets	4(b)	198.19	278.65
	Financial assets			
	(i) Other financial assets	5	314.59	472.96
	(ii) Investments	7	8,198.24	2,596.34
	Other non-current assets	12	14.75	337.04
			30,792.67	24,661.22
	Current Assets			
	Inventories	6	2,673.88	4,097.51
	Financial assets			
	(i) Investments	7	2,238.30	1,446.58
	(ii) Trade receivables	8	6,139.86	5,201.33
	(iii) Cash and cash equivalents	9(a)	1,027.28	1,371.53
	(iv) Bank balance other than (iii) above	9(b)	729.24	299.84
	(v) Loans	10	28.60	7.57
	(vi) Other financial assets	5	93.10	25.63
	Current tax assets	11(a)	25.65	18.58
	Other current assets	12	432.25	720.09
			13,388.16	13,188.66
	Total Assets		44,180.83	37,849.88
II	EQUITY AND LIABILITIES			
	Equity			
	Equity share capital	13(a)	5,918.68	5,918.68
	Other equity	13(b)	31,306.85	24,696.82
	Total Equity		37,225.53	30,615.50
	Liabilities			
	Non-Current Liabilities			
	Financial liabilities			
	Lease Liability	4(b)	138.76	223.77
	Provisions	18	28.84	23.55
	Deferred tax liabilities (net)	14	1,398.76	1,335.95
			1,566.36	1,583.27
	Current Liabilities			
	Financial liabilities			
	Lease Liability	4(b)	85.02	77.30
	Trade payables	15		
	dues of micro enterprises and small enterprises		470.73	574.32
	dues of creditors other than micro enterprises and small enterprises		2,956.19	3,893.98
	Other financial liabilities	16	997.15	577.54
	Other current liabilities	17	299.63	149.69
	Provisions	18	498.45	259.36
	Current tax liabilities	11(b)	81.77	118.92
	Total Current Liabilities		5,388.94	5,651.11
	Total Equity and Liabilities		44,180.83	37,849.88
Notes 1 to 42 form an integral part of these Financial Statements				

As per our report of even date attached

For P. Chandrasekar LLP
 Chartered Accountants
 FRN : 000580S/S200066

Raghavendhar Sekhar
 Partner
 Membership No. 244016

 Place : Chennai
 Date : May 5, 2026

 For and on behalf of the Board of Directors of
Kothari Petrochemicals Limited
 CIN : L11101TN1989PLC017347

Arjun B. Kothari
 Managing Director
 DIN : 07117816

S. Sundarraman
 Director
 DIN : 01032768

K. Priya
 Company Secretary

S. Sivamahesh
 Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

	Particulars	Note No.	Year ended 31.03.2026	Year ended 31.03.2025
I	Revenue from Operations	19	59,138.67	57,733.94
II	Other Income	20	911.17	1,148.83
III	Total Income (I+II)		60,049.84	58,882.77
IV	Expenses			
	Cost of materials consumed	21	35,775.03	38,000.43
	Changes in inventories of finished goods	22	882.71	(753.24)
	Employee benefit expenses	23	3,555.28	2,886.71
	Finance cost	24	74.01	110.31
	Depreciation & amortisation expense	25	850.69	840.73
	Utilities and Stores	26	3,905.69	4,186.58
	Other expenses	27	5,303.63	5,390.47
	Total Expenses		50,347.04	50,661.99
V	Profit before exceptional items and tax (III-IV)		9,702.80	8,220.78
VI	Exceptional items (Gain/(Loss) on scrapping of old assets)	41	(25.82)	-
VII	Profit Before Tax (V-VI)		9,676.98	8,220.78
VIII	Tax Expense	28		
	a) Current tax		2,348.18	2,067.16
	b) Deferred tax		79.80	(428.16)
	Total Tax Expenses		2,427.98	1,639.00
IX	Profit for the period from continuing operations (VII-VIII)		7,249.00	6,581.78
X	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains/(losses) on defined benefit plans		(67.50)	(43.05)
	(ii) Income tax effect on above		16.99	10.84
	Total Other Comprehensive Income		(50.51)	(32.21)
XI	Total Comprehensive Income for the year (IX+X)		7,198.49	6,549.57
	Earnings per equity share	29		
	Basic (₹)		12.32	11.18
	Diluted (₹)		12.32	11.18
	Notes 1 to 42 form an integral part of these Financial Statements			

As per our report of even date attached

For P. Chandrasekar LLP
Chartered Accountants
FRN : 000580S/S200066

Raghavendhar Sekhar
 Partner
 Membership No. 244016

Place : Chennai
Date : May 5, 2026

For and on behalf of the Board of Directors of
Kothari Petrochemicals Limited
CIN : L11101TN1989PLC017347

Arjun B. Kothari
 Managing Director
 DIN : 07117816

S. Sundarraman
 Director
 DIN : 01032768

K. Priya
 Company Secretary

S. Sivamahesh
 Chief Financial Officer

(₹ in Lakhs)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

A. Equity Share Capital					
Balance as at 1 st April 2025	Changes in Equity Share Capital due to prior period errors	Restated balance at 1 st April 2025	Changes in equity share capital during the year	Balance as at 31 st March 2026	
5,918.68	-	-	-	5,918.68	
Balance as at 1 st April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at 1 st April 2024	Changes in equity share capital during the year	Balance as at 31 st March 2025	
5,918.68	-	-	-	5,918.68	
B.Other Equity					
Particulars	Reserves and Surplus			Total	
	Capital reserves	Retained earnings			
Balance as at 1 st April 2025	0.40	24,696.42		24,696.82	
Changes in accounting policy or prior period errors	-	-		-	
Restated balance as at 1 st April 2025	-	-		-	
Total Comprehensive Income / (Losses) for the year*	-	7,198.49		7,198.49	
Dividends Paid**	-	(588.46)		(588.46)	
Transfer to Retained earnings	-	-		-	
Balance as at 31 st March 2026	0.40	31,306.45		31,306.85	
Balance as at 1 st April 2024	0.40	18,735.33		18,735.73	
Changes in accounting policy or prior period errors	-	-		-	
Restated balance as at 1 st April 2024	-	-		-	
Total Comprehensive Income / (Losses) for the year*	-	6,549.57		6,549.57	
Dividends Paid	-	(588.46)		(588.46)	
Transfer to Retained earnings	-	-		-	
Balance as at 31 st March 2025	0.40	24,696.42		24,696.82	

*Re-measurement of defined benefit plan for the year loss ₹ 50.51 lakhs (previous year gain of ₹ 32.21 lakhs) net effect of taxes has been recognized as part of retained earnings for the year ended 31st March 2026 and 31st March 2025 respectively.

**The Board of Directors declared an interim dividend of Re.1 per equity share in the meeting held on 12th Aug 2025 and paid. Notes 1 to 42 form an integral part of these Financial Statements

As per our report of even date attached

For P. Chandrasekar LLP
Chartered Accountants
FRN : 000580S/S200066

Raghavendhar Sekhar
Partner
Membership No. 244016

Place : Chennai
Date : May 5, 2026

For and on behalf of the Board of Directors of
Kothari Petrochemicals Limited
CIN : L11101TN1989PLC017347

Arjun B. Kothari
Managing Director
DIN : 07117816

K. Priya
Company Secretary

S. Sundararaman
Director
DIN : 01032768

S. Sivamahesh
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	9,676.98	8,220.78
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	850.68	840.73
Provision for renovation of commercial property	125.09	-
Operating lease rentals from Investment Property	(244.32)	(239.07)
Interest income	(202.25)	(197.76)
Gain on Investments (net)	(335.02)	(435.17)
Exceptional Items	25.82	-
(Gain) / loss on sale of Property, Plant and Equipment	-	1.68
Unrealised foreign exchange differences (Gain) / loss (net)	9.71	27.80
Finance cost / Financial guarantee expenses	43.90	52.65
Interest expense on Lease liability	35.17	57.66
Operating profit before working capital changes	9,985.76	8,329.30
Adjustments for changes in working capital:		
(Increase) / decrease in operating assets-		
Inventories	1,423.63	(1,001.66)
Trade receivable	(962.58)	623.36
Financial assets-loans	(21.04)	74.53
Financial assets-others	152.67	88.97
Other Assets	287.83	(305.97)
Increase / (decrease) in operating liabilities-		
Trade payables	(1,046.43)	153.59
Financial liabilities-others	354.68	(121.74)
Other liabilities	269.21	(14.90)
	10,443.73	7,825.48
Less: Taxes paid	2,392.41	1,948.24
Net cash from / (used in) operating activities	8,051.32	5,877.24
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of assets (including capital work-in-progress)	(1,886.70)	(8,606.46)
Net Movement in Capital - Creditors and Advances	386.50	(216.82)
Redemption / (Purchase) of investments (Net)	(6,111.73)	3,715.19
Proceeds on sale of Property, Plant and Equipment	-	14.99
Term deposit/Margin money with bank account	(428.68)	295.98
Operating lease rentals from Investment Property	244.32	239.07
Interest received	140.48	215.30
Net cash from / (used in) investing activities	(7,655.81)	(4,342.75)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	-
Repayment of long term borrowings	-	-
Payment of Lease Liability	(107.40)	(107.40)
Dividend paid	(588.46)	(588.46)
Finance cost / Financial guarantee expenses	(43.90)	(52.65)
Earmarked balances with bank-Dividend warrant account	-	-
Net cash from / (used in) financing activities	(739.76)	(748.51)
D. NET CASH FLOWS DURING THE YEAR(A+B+C)	(344.25)	785.98
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,371.53	585.55
Cash & Bank balances [Note 9(a)]	1,371.53	585.55
Cash Credit balance	-	-
F. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (D+E)	1,027.28	1,371.53
Cash & Bank balances	1,027.28	1,371.53
Cash Credit balance	-	-

Notes 1 to 42 form an integral part of these financial statements

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7).

As per our report of even date attached

For P. Chandrasekar LLP
Chartered Accountants
FRN : 000580S/S200066

Raghavendhar Sekhar
 Partner
 Membership No. 244016

Place : Chennai
Date : May 5, 2026

For and on behalf of the Board of Directors of
Kothari Petrochemicals Limited
CIN : L11101TN1989PLC017347

Arjun B. Kothari
 Managing Director
 DIN : 07117816

S. Sundarraman
 Director
 DIN : 01032768

K. Priya
 Company Secretary

S. Sivamahesh
 Chief Financial Officer

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 1

CORPORATE OVERVIEW

Kothari Petrochemicals Limited (referred to as "KPL" or the "Company") is the Manufacturer of Poly Iso Butylene. The registered office of the Company is situated at "Kothari Buildings", No.: 115, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034.

AUTHORIZATION OF FINANCIAL STATEMENTS

The Financial Statements for the year ended 31st March 2026 have been approved for issue by the Board of Directors of the Company on 5th May 2026 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

MATERIAL ACCOUNTING POLICIES

i. Statement of Compliance :

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Companies Act, 2013.

ii. Basis of preparation and presentation :

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are Categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The material accounting policies are set out below :

iii. Revenue Recognition :

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue is presented net of discounts, commissions other price concessions and Goods and services tax (GST).

The Company considers indicators for assessing the transfer of control, including :

- a. the entity has a present right to payment for the asset.
- b. the customer has legal title to the asset.
- c. the entity has transferred physical possession of the asset.
- d. the customer has the significant risks and re-wards of ownership of the asset.
- e. the customer has accepted the asset.

iv. Dividend, interest and other income

- Dividend income from investments is recognized when the right to receive payment has been established.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable in line with the effective interest rate method.
- Operating Lease rental income is accounted on straight line basis over the term of the relevant lease.
- Insurance claims are accounted on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.
- Export benefits are accounted for at realizable value in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

NOTES FORMING PART OF FINANCIAL STATEMENTS**v. Leases :**

The Company, as a lessee, recognises a right-of-use asset and a corresponding lease liability at the commencement date of the lease for all lease arrangements, except short-term leases and leases of low-value assets.

In the case of operating leases, Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

Lease rentals having lease term within 12 months are charged or recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

The right to use assets are initially recognized at cost which comprises an amount equal to discounted lease liability plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Lease liability is initially measured at amortized cost at the present value of the future lease payment. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable using the incremental borrowing rate for the company.

vi. Borrowing costs :

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time the assets are ready for their intended use or sale.

Interest income earned on the temporary investments of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred. Borrowing costs are not included in the value of inventories.

vii. Employee Benefits :**(a) Post Employment Employee Benefits**

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period.

Defined benefit costs are categorized as follows :

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefits expense'.

Past service cost is recognized in Statement of Profit and Loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in Other Comprehensive Income is reflected immediately in Retained Earnings and is not reclassified to Statement of Profit and Loss.

- Contribution to Provident Fund is in the nature of defined contribution plan and are made to Employees Provident Fund Scheme, 1952. Under the scheme the company is required to contribute a specified percentage of payroll cost to the Scheme. The interest as declared by the Government from time to time accrues to the employees under the scheme.
- Contribution to Superannuation Fund is in the nature of defined contribution plan and is remitted to IndusInd Nippon Life Insurance Company Limited. Under the scheme the company is required to contribute a specified percentage of payroll cost to underwriters to enable them to make settlement to the qualifying employees.
- Contribution to Employees' Group Gratuity-cum Life Assurance scheme is in the nature of Defined benefit plan and is remitted to IndusInd Nippon Life Insurance Company Limited. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment.
- Liability for unavailed leave for employees is considered as short term benefit and provided accordingly in books. Liability of unavailed sick leave for employees is considered as long term benefit.

NOTES FORMING PART OF FINANCIAL STATEMENTS
(b) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service and recognized as an expense in the year they are incurred.

(c) Other Long term employee benefits

Long term employee benefit liabilities other than post-retirement benefit are measured on the basis of actuarial valuation on respective reporting dates using projected unit credit method and recognized in the profit and loss for the period.

viii. Earnings per Share :

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the Profit or Loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting the Profit or Loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

ix. Taxation :

Income tax expense represents the sum of the tax currently payable and deferred tax.

The Company has opted for taxation under Section 115BAA of the Income-tax Act, 1961 (Section 200 of Income-tax Act, 2025.)

a. Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961 and other applicable tax laws.

b. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the

period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

c. Current and deferred tax for the year

Current and deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

x. Property, Plant and Equipment :

All Property, Plant and Equipment are measured at cost, less accumulated depreciation and impairment losses, if any.

The cost of asset includes the purchase cost including import duties and non-refundable taxes, and any costs that are directly attributable of bringing an asset to the location and condition of its intended use.

The carrying amount of the replaced parts are derecognized. All other repairs and maintenance costs are recognized in Statement of Profit and Loss as incurred.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its carrying value only when economic benefits are expected to accrue for a period beyond one year.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. The useful lives are based on Schedule II to the Companies Act, 2013, except where management has assessed different useful lives based on technical evaluation.

Estimated useful lives of the assets are as follows:

Particulars of Asset	Estimated useful lives
Freehold Land	Infinite
Building	3-60 years
Plant & Equipment	5-40 years
Furniture & Fixtures	10 years
Office Equipment & Computers	3-5 years
Vehicles	8 years

Assets costing ₹ 5,000 and below are depreciated in the year of acquisition.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Assets on leased premises are depreciated on the remaining period of lease or as per the useful life prescribed in Schedule II of the Companies Act, 2013, whichever is earlier.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value not more than 5% of Cost.

For certain items of plant and machinery, the useful life adopted is based on internal technical evaluation and best represents the period over which the Company expects to use these assets.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Gains / Losses arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as the difference between the sales proceeds or net realizable value and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value-in-use. Value-in-use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

xi. Inventories :

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories, less all estimated costs of completion and costs necessary to make the sale.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their

respective present location and condition. The cost of inventories is computed on weighted average basis.

Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of the inventories in the Statement of Profit and Loss.

xii. Provisions, contingent liabilities and contingent assets :

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits) are not discounted to their present value except in the cases where time value of money is material and are determined based on the best estimate required to settle the obligation at the balance sheet date and are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities in relation to claims against the Company, includes legal, contractual and claims arising from custom. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events. Contingent liabilities are disclosed in the notes. Contingent assets are not recognized in the financial statements.

xiii. Investment Property :

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation over useful life of 60 years on straight line basis and impairment losses, if any. Though, the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in Notes. Fair values are determined based on an annual evaluation performed by a Chartered Engineer. Rental income is disclosed under Note 20 in Statement of Profit and Loss.

xiv. Intangible Assets :

Intangible assets with finite useful lives that are acquired separately are carried at cost, less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over

NOTES FORMING PART OF FINANCIAL STATEMENTS

their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Expenditure on research activities is recognised as an expense in the Statement of Profit and Loss as incurred.

Software and licenses are amortized over useful life of not exceeding 5 years.

xv. Financial instruments :

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

xvi. Financial assets :

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognized financial assets are subsequently measured in their entirety at amortized cost or fair value, depending on the classification of the financial assets.

a. Classification of financial assets

Debt instruments (including Trade receivables, Loans and Other Financial Assets) that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income or Expense is recognized on an effective interest basis for debt instruments other than those financial liabilities classified as at FVTPL. Interest income or expense is recognized in Statement of Profit and Loss.

c. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

d. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

e. Derivative financial instruments

The Company uses forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS**xvii. Financial liabilities :**

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations.

They are subsequently measured at amortised cost using effective interest method. Any discount or premium on settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

xviii. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The company considers all liquid investments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal or usage except fixed deposit with original maturity more than 3 months.

xix. Functional and presentation currency and Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entity operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the period in which they arise.

xx. Key estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

- (i) Useful life of property, plant, equipment, Investment property & Intangibles Assets.
- (ii) Provision for income taxes and deferred taxes.
- (iii) Provisions for Defined benefit plan.

Fair value measurement and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third-party qualified valuers to perform the valuation.

xxi. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xxii. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified changes in few disclosures in Ind AS 1 - Presentation of Financial Statements, Ind AS 7- Statement of Cash Flows, Ind AS 12 - pertaining to International tax reform (pillar to model rules), Ind AS 21 - the effect of changes in foreign exchange rates and on Ind AS 107 - Financial Instruments, applicable w.e.f. April 1, 2025. The company has evaluated the new pronouncements and has concluded that it does not have any impact in its financial statements.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 2 (a): Property, Plant and Equipment

(₹ in Lakhs)

Gross block	Land Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total
As at 1 st April 2025	7,550.74	2,514.43	11,469.38	219.34	264.05	224.04	769.68	23,011.66
Additions	616.59	359.59	239.45	-	16.50	8.72	12.94	1,253.79
Disposal	-	-	38.01	-	-	-	-	38.01
As at 31 st March 2026	8,167.33	2,874.02	11,670.82	219.34	280.55	232.76	782.62	24,227.44
Accumulated depreciation/amortisation								
As at 1 st April 2025	-	931.77	2,331.47	77.40	180.46	193.12	92.31	3,806.53
For the year	-	70.28	496.01	19.64	23.77	26.02	94.82	730.54
Impairment for the year	-	-	-	-	-	-	-	-
Deduction on disposal	-	-	12.20	-	-	-	-	12.20
As at 31 st March 2026	-	1,002.05	2,815.28	97.04	204.23	219.14	187.13	4,524.87
Net block								
As at 31 st March 2025	7,550.74	1,582.66	9,137.91	141.94	83.59	30.92	677.37	19,205.13
As at 31 st March 2026	8,167.33	1,871.97	8,855.54	122.30	76.32	13.62	595.49	19,702.57

(₹ in Lakhs)

Gross block	Land Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total
As at 1 st April 2024	278.47	2,514.43	10,699.41	195.01	219.73	215.78	418.50	14,541.33
Additions	7,272.27	-	817.87	24.33	48.26	8.26	377.23	8,548.21
Disposal	-	-	47.90	-	3.94	-	26.05	77.89
As at 31 st March 2025	7,550.74	2,514.43	11,469.38	219.34	264.05	224.04	769.68	23,011.65
Accumulated depreciation/amortisation								
As at 1 st April 2024	-	871.22	1,891.42	60.51	161.99	135.25	28.54	3,148.93
For the year	-	60.55	482.06	16.89	22.26	57.87	79.19	718.82
Impairment for the year	-	-	-	-	-	-	-	-
Deduction on disposal	-	-	42.01	-	3.79	-	15.42	61.22
As at 31 st March 2025	-	931.77	2,331.47	77.40	180.46	193.12	92.31	3,806.53
Net block								
As at 31 st March 2024	278.47	1,643.21	8,807.99	134.50	57.74	80.53	389.96	11,392.41
As at 31 st March 2025	7,550.74	1,582.66	9,137.91	141.94	83.59	30.92	677.37	19,205.13

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 2 (b): Capital work-in-progress**

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Capital work-in-progress	818.02	195.62
	818.02	195.62
As at beginning	195.62	137.37
Additions	1,886.70	8,606.46
Capitalised during the year	(1,264.30)	(8,548.21)
As at the closing	818.02	195.62

Note 1 : During the year, the Company has purchased balance portion of land at Punjulurupada village, Nellore amounting to ₹ 617 Lakhs. The overall land purchased was ₹ 7,889 lakhs. The land is intended for future construction of manufacturing facilities, office premises etc. for which timeline has not be finalized. The land has been classified under 'Land Freehold' under Property, Plant and Equipment.

Note 2 : During the year, the Company has constructed "Occupational Health center" for employees amounting to ₹ 217 lakhs. The Occupational health center has been classified under 'building' under Property, Plant and Equipment.

CWIP ageing schedule as on 31st March 2026

(₹ in Lakhs)

CWIP	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	818.02	-	-	-	818.02

CWIP ageing schedule as on 31st March 2025

(₹ in Lakhs)

CWIP	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	195.62	-	-	-	195.62

Note 3: Investment Property (IP)

(₹ in Lakhs)

Particulars	Land	Building	Total
Gross block			
As at 1 st April 2025	321.98	1,435.13	1,757.11
Additions	-	-	-
Disposals	-	-	-
As at 31 st March 2026	321.98	1,435.13	1,757.11
Accumulated depreciation			
As at 1 st April 2025	-	244.49	244.49
Depreciation for the period	-	24.26	24.26
Reversal on disposal of assets	-	-	-
As at 31 st March 2026	-	268.75	268.75
Net block			
As at 31 st March 2025	321.98	1,190.64	1,512.62
As at 31 st March 2026	321.98	1,166.38	1,488.36

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Land	Building	Total
Gross block			
As at 1st April 2024	321.98	1,435.13	1,757.11
Additions	-	-	-
Disposals	-	-	-
As at 31st March 2025	321.98	1,435.13	1,757.11
Accumulated depreciation			
As at 1st April 2024	-	219.68	219.68
Depreciation for the period	-	24.81	24.81
Reversal on disposal of assets	-	-	-
As at 31st March 2025	-	244.49	244.49
Net block			
As at 31st March 2024	321.98	1,215.45	1,537.43
As at 31st March 2025	321.98	1,190.64	1,512.62

Information regarding income and expenditure of investment property

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Operating lease rentals from Investing Property	212.37	212.37
Direct expenses:		
Contribute to the rental income (including repairs and maintenance)	11.75	13.24
Profit before depreciation and indirect expenses	200.61	199.13
Less: Depreciation	24.26	24.81
Profit before indirect expenses	176.35	174.32

Fair value of Investment Property

The fair value of the Company's total investment property as at 31st March 2026 is ₹ 4,404.50 lakhs (₹ 3,078.94 lakhs as at 31st March 2025). The valuation has been carried out by Mr. R.Sugumar, IBBI Registered valuer. The valuer is registered under companies (Registered Valuers and valuation) Rules, 2017.

Note 4(a): Other Intangible Assets other than goodwill

(₹ in Lakhs)

Software and licences	
Gross block	
As at 1 st April 2025	229.46
Additions	10.52
Disposals	-
As at 31st March 2026	239.98
Accumulated depreciation	
As at 1 st April 2025	166.60
Amortisation for the period	15.43
Reversal on disposal of assets	-
As at 31st March 2026	182.03
Net block	
As at 31st March 2025	62.86
As at 31st March 2026	57.95

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Software and licences	
Gross block	
As at 1 st April 2024	229.46
Additions	-
Disposals	-
As at 31st March 2025	229.46
Accumulated depreciation	
As at 1 st April 2024	145.57
Amortisation for the period	21.03
Reversal on disposal of assets	-
As at 31st March 2025	166.60
Net block	
As at 31st March 2024	83.89
As at 31st March 2025	62.86

Note 4(b):

(₹ in Lakhs)

Right-of-use assets :	
As at 1 st April 2025	278.65
Additions	-
Disposals	-
Depreciation	80.46
As at 31st March 2026	198.19

(₹ in Lakhs)

Right-of-use assets :	
As at 1 st April 2024	-
Additions	354.72
Disposals	-
Depreciation	76.08
As at 31st March 2025	278.65

(₹ in Lakhs)

Lease Liability :	
As at 1 st April 2025	301.07
Additions	-
Disposals / Reversal	-
Interest Expense accrued	30.11
Payment of Lease liabilities	107.40
As at 31st March 2026	223.78
Non-Current	138.76
Current	85.02

During the year 2025-26, operating lease expenses has changed from rent (included in Other expenses) to depreciation cost (₹ 80.46 lakhs) for the right of use of assets and finance cost of (₹ 30.11 lakhs) for interest accrued on lease liability.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Lease Liability :	
As at 1 st April 2024	-
Additions	354.72
Disposals / Reversal	-
Interest Expense accrued	53.75
Payment of Lease liabilities	107.40
As at 31st March 2025	301.07
Non-Current	223.77
Current	77.30

Note 5: Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Non-current	Current	Non-current	Current
Security deposits	314.59	-	472.96	-
Interest receivable	-	93.10	-	13.79
Derivative assets	-	-	-	11.84
Total	314.59	93.10	472.96	25.63

(Unsecured and considered good unless otherwise stated)

Note 6: Inventories

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Raw materials	376.81	495.31
Raw material in transit	383.47	888.10
Finished goods	787.90	783.31
Finished goods in transit	642.80	1,530.10
Stores and spares	395.69	349.25
Packing material	87.21	51.44
Total	2,673.88	4,097.51

Note 7: Investments

Particulars	Non Current		Current		Non Current		Current	
	No. of Units	As at 31 st March 2026	No. of Units	As at 31 st March 2026	No. of Units	As at 31 st March 2025	No. of Units	As at 31 st March 2025
Investments carried at Fair value through Profit & Loss :-								
Equity Shares (Quoted) :								
- India Grid Trust - PMS	-	-	50700	83.88	50700	71.44	-	-
Sub Total				83.88		71.44		
Mutual Funds (Un Quoted) :								
Axis Liquid Fund - Direct - Growth	4,059	124.38	-	-	-	-	-	-
DSP Liquid Fund - Direct - Growth	17,255	679.99	-	-	10,932	405.38	-	-
Nippon India Liquid Fund - Direct - Growth	6,090	410.73	-	-	-	-	-	-
ABSL Liquid Fund - Direct - Growth	79,974	355.92	-	-	72,922	305.34	-	-
HDFC Liquid Fund - Direct - Growth	5,067	274.10	-	-	-	-	-	-
Sundaram Liquid Fund - Direct - Growth	5,287	128.68	-	-	10,103	231.53	-	-
Kotak Liquid Fund - Direct - Growth	7,571	421.38	-	-	1,945	101.92	-	-
Nippon India Short Duration Fund - Direct - Growth	172439	102.86	-	-	-	-	-	-
Axis Short Duration Fund - Direct - Growth	292957	102.85	-	-	-	-	-	-
HDFC Short Term Debt Fund - Direct - Growth	299368	102.86	-	-	-	-	-	-
Parag Parikh Conservative Hybrid Fund - Direct - Growth	3251791	506.21	-	-	-	-	-	-
Jio BlackRock Short Duration Fund - Direct - Growth	2500	25.19	-	-	-	-	-	-
HDFC CRISIL - IBX Financial Services 3-6 Months Debt+Index Fund - Direct - Growth	1053178	111.64	-	-	-	-	-	-
Nippon India CRISIL-IBX Financial Services 9-12 Months Debt Index Fund - Direct - Growth	999950	100.35	-	-	-	-	-	-
ABSL Low Duration Fund - Direct - Growth	13171	100.23	-	-	-	-	-	-
ABSL CRISIL - IBX Financial Services 3-6 Months Debt Index Fund - Direct - Growth	1836455	200.47	-	-	-	-	-	-
HDFC CRISIL - IBX Financial Ser-vices 9-12 Months Debt Index Fund - Direct - Growth	999950	100.25	-	-	-	-	-	-
Avestha Muticap Compounders	142508	161.38	-	-	142508	184.24	-	-
ASK Private Credit Fund - Series A1	6955	74.56	-	-	-	-	-	-
Magnum Hybrid Long-Short Fund - Reg - Growth	979441	97.56	-	-	-	-	-	-
HDFC Overnight Fund - PMS	-	-	-	-	211	8.01	-	-
HDFC Overnight Fund - Direct - Growth	11	0.43	-	-	-	-	-	-
Edelweiss Nifty PSU Bond Plus SDL Apr 2027 50:50 Index Fund - Direct Plan - PMS	471927	61.50	-	-	955053	116.41	-	-
Edelweiss Bharat Bond FOF - April 2030 - Direct Plan - PMS	801750	123.59	-	-	801750	117.79	-	-
Bandhan Low Duration fund - Direct - Growth - PMS	3326	1.37	-	-	-	-	-	-
ICICI Pru Arbitrage Fund - Direct - Growth PMS	-	-	-	-	196754	71.12	-	-
ICICI Money Market fund - Direct - Growth PMS	-	-	-	-	14878	56.04	-	-
ABSL Arbitrage Fund - Direct - Growth	359410	108.00	-	-	359410	101.05	-	-
Kotak Income Plus Arbitrage FOF - Direct - Growth	3267527	419.99	-	-	829848	100.38	-	-
Bandhan Income Plus Arbitrage FOF - Direct - Growth	660309	315.89	-	-	222968	100.37	-	-
HDFC Income Plus Arbitrage Active FOF - Direct - Growth	474904	210.88	-	-	239126	100.42	-	-
Kotak CRISIL - IBX Financial Services 3-6 Months Debt Index Fund - Direct - Growth	999950	107.25	-	-	999950	100.66	-	-
ABSL Debt Plus Arbitrage FOF - Direct - Growth	945024	387.59	-	-	-	-	-	-
HSBC Income Plus Arbitrage Active FOF - Direct - Growth	443830	104.43	-	-	-	-	-	-
Nippon India Income Plus Arbitrage Active FOF - Direct - Growth	2006143	208.64	-	-	-	-	-	-
Axis Income Plus Arbitrage Passive FOF - Direct - Growth	999950	102.12	-	-	-	-	-	-
Jio Blackrock Arbitrage Fund	249988	25.54	-	-	-	-	-	-
Sub Total	-	6,358.82	-	-	-	2,100.67	-	-

Particulars	Non Current		Current		Non Current		Current	
	No. of Units	As at 31 st March 2026	No. of Units	As at 31 st March 2026	No. of Units	As at 31 st March 2025	No. of Units	As at 31 st March 2025
Investment in Debt Securities (at amortized cost) (Un Quoted) :-								
9.233% Shriram Finance Ltd	-	-	10	10.37	10	10.35	-	-
Shriram Finance Ltd @ 0.00%	-	-	59	59.37	-	-	-	-
7.99% HDB Financial Services Ltd	-	-	-	-	50	50.35	-	-
8.30% Tata Capital Financial Services Ltd	-	-	-	-	50	50.56	-	-
MAS Financial Services Ltd - PMS	-	-	-	-	100	100.27	-	-
Piramal Enterprises Ltd - PMS	-	-	2800	29.03	2800	28.91	-	-
Piramal Enterprises Ltd - PMS - 9.12%	-	-	100	108.64	-	-	-	-
HDB Ltd @ 0.00%	-	-	20	20.56	-	-	-	-
L & T Finance Ltd @ 0.00%	-	-	7	7.29	-	-	-	-
Cholamandalam Investment & Finance Co.Ltd	-	-	98	99.89	-	-	-	-
Mahanagar Telephone Nigma Ltd	-	-	10	99.82	-	-	-	-
Hinduja Leyland Finance Ltd PMS 8.50%	-	-	130	139.04	-	-	-	-
Sub Total	-	-	-	574.00	-	240.43	-	-
7.75% PFC GOI Bonds	-	-	10	102.44	-	-	10	102.40
8.30% Tata Capital Financial Services Ltd 2026	-	-	-	-	100	100.53	-	-
7.905% Tata Capital Financial Services Ltd	-	-	100	104.83	-	-	100	104.77
8.05%HDB Financial Services Ltd @ 8.03%	10	105.17	-	-	-	-	10	105.17
9% Mahindra & Mahindra Fin.Services Ltd @ 8.34%	-	-	10000	108.26	-	-	10000	108.26
7.9050% Tata Capital Financial Services Ltd@ 8.10%	-	-	100	104.77	-	-	100	104.83
8.25% HDFC Credila Financial Services Ltd @ 8.31%	50	49.89	-	-	-	-	50	49.89
MLD ICICI Home Finance Ltd @ 8.40%	-	-	-	-	4	47.84	-	-
MLD Tata Cleantech Capital Ltd 28-07-2025 @ 8.35%	-	-	-	-	3	35.43	-	-
8.1293% HDB Financial Services Ltd @ 8.07%	100	103.10	-	-	-	-	100	103.12
8.29% Axis Finance Ltd 2027 @ 8.20%	120	126.42	-	-	-	-	120	126.42
8.29% Axis Finance Ltd 19/08/2027 @ 8.12%	100	105.53	-	-	-	-	100	105.53
8.16% Aditya Birla Finance Ltd 2029 @ 8.1225%	100	101.05	-	-	-	-	100	109.23
8.75% Tata Capital Ltd 13/07/2029 @ 8.0250%	10	108.81	-	-	-	-	10	108.76
8.18% Can Fin Homes Ltd 03/04/2029 @ 8.11%	200	216.67	-	-	-	-	200	216.67
8.41% Mahindra Rural Housing Finance Ltd 28/02/2029 @ 8.17%	100	101.51	-	-	-	-	100	101.53
8.0980% Tata Capital Limited 22.01.2027 @ 7%	-	-	100	103.75	-	-	-	-
7.97% Kotak Infrastructure Debt Fund Limited 17.02.2028 @ 7.30%	10	92.94	-	-	-	-	-	-
8.2850% Tata Capital Limited 10.05.2027 @ 7.0%	200	217.26	-	-	-	-	-	-
8.20% Credila Financial Services Ltd 23.07.2027 @ 8.61%	20	210.09	-	-	-	-	-	-
8.20% Credila Financial Services Ltd 23.07.2027 @ 8.62%	9	94.53	-	-	-	-	-	-
8.65% L&T Finance Ltd 23.12.2027 @ 7.1250%	10000	103.29	-	-	-	-	-	-
9.20% Shriram Finance Ltd 22.05.2026 @ 7.85%	-	-	500	539.92	-	-	-	-
7.49% NABARD 15.10.2026 @ 7.50%	-	-	500	516.44	-	-	-	-
7.97% Kotak Infrastructure Debt Fund Limited 17.02.2028 @ 7.35%	9	103.18	-	-	-	-	-	-
Sub Total	-	1839.43	-	1,580.42	-	183.80	-	1446.58
Total	-	8198.24	-	2238.30	-	2596.34	-	1446.58
Aggregate market value of Quoted Investments	-	-	-	83.88	-	71.44	-	-
Aggregate Amount of Un Quoted Investment	-	8198.24	-	2154.42	-	2524.91	-	1446.58

Note 8: Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
(a) Trade Receivable - Current	6,139.86	5,201.33
	6,139.86	5,201.33
(Unsecured and considered good unless otherwise stated)		
(b) Significant Increase in credit risk	-	-
(c) Credit Impaired	-	-
Less: Provision	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

Trade Receivable Ageing is as follows:

Ageing for Trade Receivables as at 31st March 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	6,012.53	126.88	0.45	-	-	-	6,139.86
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	6,012.53	126.88	0.45	-	-	-	6,139.86

Ageing for Trade Receivables as at 31st March 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5,200.49	-	0.84	-	-	-	5,201.33
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	5,200.49	-	0.84	-	-	-	5,201.33

Note 9(a): Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Balances with banks in current account	223.04	753.95
Deposits with banks less than 3 months Maturity	803.53	616.48
Cash on hand	0.71	1.10
Total	1,027.28	1,371.53

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 9(b): Other bank balances

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Earmarked balances with Bank - Unclaimed Dividend account	34.21	33.48
Margin money with bank	695.03	266.36
Deposits with Bank more than 3 months but less than 12 months maturity	-	-
Total	729.24	299.84

Note 10: Loans

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
	Current	Current
Loans to employees	28.60	7.57
Total	28.60	7.57

(Unsecured and considered good unless otherwise stated)

Note 11(a) : Current Tax Assets

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
	Current	Current
Advance payment of tax and tax deducted at source (net of provision)	25.65	18.58
Total	25.65	18.58

Note - 11(b): Current Tax Liability

(₹ in Lakhs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Non-current	Current	Non-current	Current
Provision for Income Tax (Net of Advance tax & tax deducted at source)	-	81.77	-	118.92

Note 12: Other Assets

(₹ in Lakhs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Non-current	Current	Non-current	Current
a) Capital Advances:				
Capital advances	14.75	-	337.04	-
b) Other than Capital Advances:				
Prepaid Expenses	-	286.67	-	254.33
Balance with statutory / government authorities	-	19.89	-	111.95
	-	306.56	-	366.28
Advances to supplier of inputs	-	107.97	-	335.05
Freight Recoverable	-	17.72	-	18.76
Total	14.75	432.25	337.04	720.09

(Unsecured and considered good unless otherwise stated)

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 13(a): Share Capital

(₹ in Lakhs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Numbers	Value in ₹ lakhs	Numbers	Value in ₹ lakhs
A) Authorised :				
Preference share capital				
Redeemable preference shares of ₹100/- each	6,00,000	600.00	6,00,000	600.00
Equity share capital				
Equity shares of ₹ 10/- each	6,00,00,000	6,000.00	6,00,00,000	6,000.00
B) Issued :				
Equity shares of ₹ 10/- each	5,96,40,700	5,964.07	5,96,40,700	5,964.07
C) Subscribed and paid up :				
Equity shares of ₹ 10/- each fully paid	5,88,46,400	5,884.64	5,88,46,400	5,884.64
D) Subscribed and partly paid up and hence forfeited :	-	34.04	-	34.04
Total (C+D)	5,88,46,400	5,918.68	5,88,46,400	5,918.68

(a) Reconciliation of Number of shares outstanding

Equity Shares	As at 31 st March 2026		As at 31 st March 2025	
	Numbers	Value in ₹ lakhs	Numbers	Value in ₹ lakhs
Opening Number of shares & value	5,88,46,400	5,884.64	5,88,46,400	5,884.64
Shares issued & value	-	-	-	-
Shares bought back & value	-	-	-	-
Others	-	-	-	-
Closing number of shares & value	5,88,46,400	5,884.64	5,88,46,400	5,884.64

(b) Rights, preferences and restrictions attached to shares:

Equity shares - The Company has issued only one class of equity share having a par value of ₹ 10 per share.

Each holder of equity share is entitled to one vote per share. All equity share have equal rights to receive or participate in any dividend or other distribution in respect of such shares.

(c) Shares held by holding company, its subsidiaries and Associates:

Holding company	Nos.	% holdings	Nos.	% holdings
BHK Trading LLP	3,62,28,812	61.57%	3,55,03,812	60.33%

(d) Details of shares held by shareholders holding more than 5% of Equity shares in the company:

Equity Shares	As at 31 st March 2026		As at 31 st March 2025	
	Nos. of Shares	% holdings	Nos. of Shares	% holdings
(i) BHK Trading LLP	3,62,28,812	61.57%	3,55,03,812	60.33%
(ii) Nina B. Kothari	62,57,500	10.63%	62,57,500	10.63%

(e) Details of shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts : Nil

(f) Equity Shares movement during 5 years immediately preceding the financial year ended 31st March 2026:

- Aggregate number of equity shares allotted as fully paid up pursuant to contract without payment being received in cash : Nil
- Aggregate number of equity shares allotted as fully paid up by way of Bonus Shares : Nil
- Aggregate number of equity shares bought back : Nil

(g) Details of Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Nil

(h) Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : Nil

(i) Forfeited shares (amount originally paid-up) : Partly paid shares forfeited for ₹ 34.04 lakhs.

NOTES FORMING PART OF FINANCIAL STATEMENTS
(j) Disclosure of Shareholding of Promoters:

Equity Shares held at the end of the year	As at 31 st March 2026		
Promoter Name	No. of shares	% of the total shares	% Change during the year
(i) BHK Trading LLP	3,62,28,812	61.57%	+ 1.24%
(ii) Nina B Kothari	62,57,500	10.63%	-
(iii) Arjun B Kothari	9,593	0.02%	-
(iv) Kothari Sugars & Chemicals Ltd	1,000	0.00%	-
(v) Nayanthara B Kothari	100	0.00%	-
(vi) Anandita Kothari	-	-	-

Equity Shares held at the end of the year	As at 31 st March 2025		
Promoter Name	No. of shares	% of the total shares	% Change during the year
(i) BHK Trading LLP	3,55,03,812	60.33%	-
(ii) Nina B Kothari	62,57,500	10.63%	-
(iii) Arjun B Kothari	9,593	0.02%	-
(iv) Kothari Sugars & Chemicals Ltd	1,000	0.00%	-
(v) Nayanthara B Kothari	100	0.00%	-
(vi) Anandita Kothari	-	-	-

Note 13(b): Other Equity

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
A) Capital Reserve	0.40	0.40
B) Retained earnings:		
Balance at the beginning of the year	24,696.42	18,735.33
Total Comprehensive Income for the year	7,198.49	6,549.57
Dividend paid	(588.46)	(588.46)
Balance at the end of the year	31,306.45	24,696.42
Total (A+B)	31,306.85	24,696.82

Note 14: Deferred Tax Liability (Net)

(₹ in Lakhs)

Particulars	01 st April 2024	Recognised in Other Comprehensive Income	Recognised in Statement of Profit & Loss	31 st March 2025
Deferred tax asset / (liability) arising on account of:				
Property, plant and equipment	(1,788.76)	-	432.67	(1,356.09)
Provision for employee benefits	77.09	10.84	(31.05)	56.88
MTM gains/losses on derivatives	4.96	-	(7.93)	(2.97)
ROU Assets and Lease Liabilities	-	-	5.64	5.64
Fair value (Gain)/loss on Investments	(69.05)	-	30.05	(39.00)
Other items	0.82	-	(1.22)	(0.41)
Deferred Tax Asset / (Liability)	(1,774.94)	10.84	428.16	(1,335.95)

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	01 st April 2025	Recognised in Other Comprehensive Income	Recognised in Statement of Profit & Loss	31 st March 2026
Deferred tax asset / (liability) arising on account of:				
Property, plant and equipment	(1,356.09)	-	(50.20)	(1,406.29)
Provision for employee benefits	56.88	16.99	(1.19)	72.68
MTM gains/losses on derivatives	(2.97)	-	31.76	28.79
ROU Assets and Lease Liabilities	5.64	-	0.80	6.44
Fair value (Gain)/loss on Investments	(39.00)	-	(61.38)	(100.38)
Other items	(0.41)	-	0.41	-
Deferred Tax Asset / (Liability)	(1,335.95)	16.99	(79.80)	(1,398.76)

Note 15: Trade Payables

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Total outstanding dues of micro and small enterprises	470.73	574.32
Total outstanding dues of creditors other than micro and small enterprises	2,956.19	3,893.98
Total	3,426.92	4,468.30

Trade payables due for payment**Ageing for Trade payables outstanding as on 31st March 2026**

(₹ in Lakhs)

Particulars	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
(i) MSME	0.02	470.71	-	-	-	-	470.73
(ii) Others	1,345.67	1,598.76	11.76	-	-	-	2,956.19
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	1,345.69	2,069.47	11.76	-	-	-	3,426.92

Ageing for Trade payables outstanding as on 31st March 2025

(₹ in lakhs)

Particulars	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
(i) MSME	0.02	574.30	-	-	-	-	574.32
(ii) Others	1,116.22	2,752.34	13.19	-	-	-	3,881.75
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	1.19	0.43	10.61	12.23
Total	1,116.24	3,326.64	13.19	1.19	0.43	10.61	4,468.30

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 16: Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Unclaimed dividend	34.21	33.48
Security deposit payable	57.60	60.11
Deferred revenue arising from interest free deposits	-	3.45
Non statutory dues	195.09	104.15
Derivative liability	114.34	-
Creditors for Capital Goods*	77.94	13.73
Managerial commission payable	517.97	362.62
Total	997.15	577.54

*Not due as at 31st March 2026.

Note 17: Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Customer advances	89.22	63.52
Statutory dues*	210.41	86.17
Total	299.63	149.69

*Includes ₹ 25 lakhs liability towards disputed GST matters.

Note 18: Provisions

(₹ in Lakhs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Non-Current	Current	Non-Current	Current
Provision for employee benefits				
Gratuity-refer note (a) below	-	127.25	-	95.59
Bonus payable	-	62.99	-	58.79
Compensated absences	28.84	69.62	23.55	48.03
Provision related to other expenses (a)	-	238.59	-	56.95
Total	28.84	498.45	23.55	259.36

- a) Provision related to other expenses includes ₹ 125.09 lakhs made towards renovation of investment property.
- b) Liability to existing employees of the Company in respect of gratuity is covered under insurance policy (maintained with Indusind Nippon Life Insurance Company Limited) administered by a Trust maintained for Kothari Petrochemicals Limited (KPL). The actuarial valuation is done by an independent external valuer under the Projected Unit Credit Method to ascertain the liability. The following table summarizes the components of defined benefit plan cost to be recognized in statement of profit and loss account, other comprehensive income, liability to be recognized in balance sheet and changes in fair value of planned assets.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	2025-26	2024-25
Present value of obligations at the beginning of the year	521.37	428.95
Current service cost	53.29	44.96
Interest Cost	34.71	30.07
Re-measurement (gain) / loss:		
- Actuarial (gain) / loss arising from change in financial assumption	(41.18)	17.82
- Actuarial (gain) / loss arising from experience adjustment	89.46	23.39
Benefits paid	(20.48)	(23.82)
Present value of obligations at the end of the year	637.17	521.37
Changes in the fair value of planned assets		
Fair value of plan assets at the beginning of the year	425.77	323.86
Interest income	28.25	22.49
Return on plan assets	(19.22)	(1.85)
Contributions by the employer	95.64	105.10
Benefits paid out	(20.47)	(23.82)
Others	(0.05)	(0.01)
Fair value of plan assets at the end of the year	509.92	425.77
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	637.17	521.36
Less: Fair value of plan assets at end of the year	509.92	425.77
Funded status of the plans - Liability recognized in the balance sheet	127.25	95.59
Components of defined benefit cost recognized in profit or loss		
Current service cost	53.29	44.96
Net interest expenses	6.46	7.58
Net cost in Profit or Loss	59.75	52.54
Components of defined benefit cost recognized in Other Comprehensive income		
Re-measurement on the net defined benefit liability:		
- Actuarial gain/ (loss) arising from change in financial assumption	41.18	(17.82)
- Actuarial gain/ (loss) arising from experience adjustment	(89.46)	(23.38)
Return on plan assets	(19.22)	(1.85)
Net Gain / (Loss)	(67.50)	(43.05)

NOTES FORMING PART OF FINANCIAL STATEMENTS
Actuarial Assumptions

The principal financial assumptions used for valuation as at end of the year are shown below.

Summary of Financial & Demographic Assumptions:

Particulars	Valuation Date	
	31.03.2026	31.03.2025
Discount Rate	7.54%	6.79%
Salary Escalation - First 5 Years	6.50%	6.50%
Salary Escalation - After 5 Years	6.50%	6.50%
Expected Rate of Return on Plan Assets	NA	NA
Mortality Table	IALM (2012-14) Table	IALM (2012-14) Table
Disability Rate	No explicit loading	
Withdrawal Rate	2%	2%
Retirement Age	58	58
Average Future Service	20.61	20.97

Experience Adjustments on Present Value of DBO and Plan Assets

Particulars	Financial Year Ending 31.03.2026	Financial Year Ending 31.03.2025
(Gain) / Loss on Plan Liabilities	89,45,549	23,38,599
% of Opening Plan Liabilities	17.16%	5.45%
Gain / (Loss) on Plan Assets	20,10,540	1,96,998
% of Opening Plan Assets	4.72%	0.61%

Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Results of Sensitivity Analysis:

Scenario	Assumption	DBO	Variation
Under Base Scenario	-	6,37,15,539	0.00%
Salary Increase Rate - Plus 100 Basis Points	7.50%	6,93,27,446	8.81%
Salary Decrease Rate - Minus 100 Basis Points	5.50%	5,88,67,488	-7.61%
Withdrawal Rates - Plus 100 Basis Points	3.00%	6,41,03,939	0.61%
Withdrawal Rates - Minus 100 Basis Points	1.00%	6,32,68,862	-0.70%
Discount Rates - Plus 100 Basis Points	8.54%	5,89,52,344	-7.48%
Discount Rates - Minus 100 Basis Points	6.54%	6,93,25,157	8.80%

Note 19: Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
(a) Sale of PIB and allied products*	58,720.85	57,358.26
(b) Other operating revenues	417.82	375.68
Revenue from operations	59,138.67	57,733.94

*Sale of products is net of commission and discounts amounting to ₹ 581.04 lakhs (for 2024-25 ₹ 394.87 lakhs)

NOTES FORMING PART OF FINANCIAL STATEMENTS**Sales as per geographic areas (Ind AS 108 Para 33(a))**

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Domestic	42,148.39	43,002.34
Exports	16,572.46	14,355.92
Total	58,720.85	57,358.26

Sales with Single External customers amounting 10% or more (Ind AS 108 Para 34)

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Number of Customers	2	2
Sales Value	18,323.62	17,881.57

Note 19(a): Other Operating Revenues

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Scrap sales	29.16	30.10
Export incentives	388.66	345.58
Total	417.82	375.68

Note 20: Other Income

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Operating lease rentals from Investment Property	244.32	239.07
Interest income earned on financial assets	202.25	197.76
Net gain on foreign currency transaction and translation	94.45	123.43
Net Liabilities / provisions no longer required written back	12.97	-
Profits / (Loss) on sale of Property, Plant & Equipment	-	(1.68)
Net Gain / (Loss) on Fair value changes in Investments (net)*	335.02	435.16
Insurance claim	15.46	133.24
Others	6.70	21.85
Total	911.17	1,148.83

*Note : Total Net gains include ₹ 71.58 lakhs (for 2024 - 25 ₹ 294.05 lakhs) as net gain / (loss) on sale of investments. Cumulative realized gain on sale of investments is ₹ 103.23 lakhs.

Note 21: Cost of Raw Materials and Components Consumed

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Opening stock of raw material and components	1,383.41	1,220.70
Add: Purchases during the year	35,151.90	38,163.14
Less: Closing stock of raw materials and components	760.28	1,383.41
Cost of Raw Materials and Components Consumed	35,775.03	38,000.43

Note 22: Changes in Inventories of Finished goods

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Opening stock	2,313.41	1,560.17
Closing stock	1,430.70	2,313.41
Net change	882.71	(753.24)

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 23: Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Salaries and wages	2,835.14	2,207.53
Contribution to provident and other funds	229.87	192.57
Staff welfare expenses	476.67	469.81
Sitting fees to Directors	13.60	16.80
Total	3,555.28	2,886.71

- a) Contribution to Provident Fund is in the nature of defined contribution plan and are made to Employees Provident Fund Scheme, 1952. Under the Scheme the Company is required to contribute a specified percentage of payroll cost to the Scheme. The interest as declared by the Government from time to time accrues to the employees under the Scheme. Contribution during the year was ₹ 153.95 lakhs.
- b) Contribution to Superannuation Fund is in the nature of defined contribution plan and is remitted to IndusInd Nippon Life Insurance Company Ltd. Under the Scheme the Company is required to contribute a specified percentage of payroll cost to underwriters to enable them to make settlement to the qualifying employees. Contribution during the year was ₹ 12.12 lakhs.
- c) Contribution to Employees' Group Gratuity-cum Life Assurance scheme is in the nature of Defined Benefit plan and is remitted to IndusInd Nippon Life Insurance Company Ltd. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment.
- d) Liability for unavailed leave for employees is considered as short term benefit and provided accordingly in books. Liability for unavailed sick leave for employees is considered as long term benefit.

Note 24: Finance Cost

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Interest expenses	-	0.02
Interest expenses accrued on lease liability- Refer Note 4(b)	30.11	57.66
Other borrowing cost (Bank charges)	43.90	52.63
Total	74.01	110.31

Note 25: Depreciation and Amortisation Expenses

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Depreciation on Property, Plant and Equipment	730.54	718.81
Depreciation on Investment Property	24.26	24.81
Amortisation on Intangible assets	15.43	21.03
Depreciation on Right of use assets - Refer Note 4(b)	80.46	76.08
Total	850.69	840.73

Note 26: Utilities and Stores

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Power & fuel	2,961.38	3,294.58
Stores consumed	944.31	892.00
Total	3,905.69	4,186.58

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 27: Other Expenses**

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Freight and carriage outwards	825.28	704.28
Packing materials	1257.46	1247.59
Repairs & maintenance		
- Building	149.50	39.68
- Plant & equipment	584.68	623.68
- Other assets	130.26	145.91
Operating lease rentals paid (Refer Note below)	54.53	55.26
Travelling	423.58	643.02
Insurance	104.12	94.50
Rates & Taxes	75.12	52.79
Auditor's Remuneration:		
- Statutory audit fees	5.00	5.00
- Limited review fees	1.50	1.50
- Tax audit	0.50	0.50
- Other services	0.13	0.05
Research and development expenditure (Refer Note 30)	154.17	115.47
Corporate Social Responsibility expenditure (Refer Note 31)	155.00	130.00
Legal & professional charges	882.00	613.19
Other expenses	500.80	918.05
Total	5,303.63	5,390.47

Note: Operating Lease term less than one year and which are exempted under Ind AS 116.

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 28: Tax Expense

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
The major component of income tax expense and the reconciliation of expected expense based on the domestic effective tax rate of Kothari Petrochemicals Ltd at 25.17% (Sec 115BAA) and the reported tax expense in profit and loss are as follows:		
Profit before tax	9,676.98	8,220.78
Adjustments	-	-
Profit before tax	9,676.98	8,220.78
(i) Income Tax calculated at 115BAA - 25.17% (2024-25 - 25.17%) Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	2,435.50	2,069.00
(ii) Allowances:		
(a) Effect of expenses/incomes allowed in tax computation	(46.54)	(107.12)
(b) Others	(23.59)	(17.04)
(iii) Dis-allowances:		
(a) Effect of expenses/incomes disallowed in tax computation	14.18	4.26
(iv) Other Gains	23.81	118.06
	2,403.36	2,067.16
Tax expenses comprise of:		
(i) Current tax	2,403.36	2,067.16
(ii) Adjustments in respect of current income tax of previous years	(55.18)	-
Net Current Income Tax	2,348.18	2,067.16

Note 29: Earning per Equity Share

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
Nominal value of equity share (₹)	10.00	10.00
Profit attributable to equity shareholders (A)	7,249.00	6,581.78
Weighted average number of equity shares outstanding during the year (B)	5,88,46,400	5,88,46,400
Basic earnings per equity share (A/B) (₹)	12.32	11.18
Dilutive effect on profit (C)	-	-
Profit attributable to equity shareholders for computing diluted EPS (D)=(A+C)	7,249.00	6,581.78
Dilutive effect on weighted average number of equity shares outstanding during the year (E)	-	-
Weighted average number of equity shares for computing diluted EPS (F)=(B+E)	5,88,46,400	5,88,46,400
Diluted earning per equity share (D/F) (₹)	12.32	11.18

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 30: Details of Research and Development Expenditure**

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
i) Capital expenditure	53.79	117.12
ii) Revenue expenditure		
a) Raw material and components consumed	47.55	22.44
b) Salaries and wages	85.94	77.31
c) Consultancy charges	1.75	4.16
d) Miscellaneous expenses	18.93	11.56
	154.17	115.47
Total (i) + (ii)	207.96	232.59

Note 31: Expenditure on Corporate Social Responsibility

(₹ in Lakhs)

Particulars	Year ended 31 st March 2026	Year ended 31 st March 2025
(a) Amount required to be spent by the company during the year	155.00	130.00
(b) Amount of expenditure incurred,		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	155.00	130.00
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	Not applicable	Not applicable
(f) Nature of CSR activities	Towards Educational scholarship support to students in schools, colleges and professional institutions, promotion and development of art, culture and heritage through restoration of buildings and renovating buildings, enhancing infrastructure facilities in Schools and healthcare, giving preference to local areas.	Towards Educational scholarship support to students in schools and colleges, employment enhancing vocation skills training to the deserving students who are economically and socially in disadvantaged sector and supporting for educational infrastructure developments in School and promotion and development of art, culture and heritage through restoration of buildings & contribution towards conducting general public awareness program on colon cancer, giving preference to local areas.
(g) Details of related party transactions		
- Contribution to Shyam Kothari Foundation.	139.00	120.00
- Contribution to HCK Educational and Development Trust.	16.00	10.00
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation.	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 32: Capital Management

The Company's capital management is intended to maximise the return to shareholders of the Company through the optimization of debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans. The funding requirements are met through equity and long term/short term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The following table summaries the capital of the Company. (₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Equity	37,225.53	30,615.50
Debt	-	-
Cash and cash equivalents	(1,027.28)	(1,371.53)
Net Debt	-	-
Total capital (equity + net debt)	37,225.53	30,615.50
Net debt to capital ratio	-	-

Note 33: Fair value of financial assets and liabilities

The Company considers that the carrying amount of financial assets and financial liabilities, other than those mentioned below are recognised at amortised cost in the balance sheet which approximates their fair value.

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025	Fair Value Hierarchy
Financial Assets :			
Investments in Mutual funds	6,358.82	2,100.67	Level 2
Investments in Equity Shares	83.88	71.44	Level 1
Derivative Assets	-	11.84	Level 1
Financial Liabilities :			
Derivative Liability	114.34	-	Level 1

Fair value of investments in Mutual Funds is based on Net asset value (NAV) declared by mutual fund houses at the reporting date.

There are no reclassification between different levels during the year.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 34: Related Party Transactions

Related party disclosures - As identified by the Management and relied upon by the Auditors

Holding Entity BHK Trading LLP

Under section 2(76) of the Companies Act, 2013, & Ind AS 24

- Promoter Entity
- (i) M/s. Kothari Sugars and Chemicals Limited
 - (ii) M/s. Century Foods Private Limited
 - (iii) M/s. Kothari Safe Deposit Limited
 - (iv) M/s. Parasakthi Trading Company Private Limited

Chairperson & MD are

Trustees of the Foundation

(i) M/s. Shyam Kothari Foundation

(ii) M/s. Kothari Petrochemicals Limited Employees' Gratuity scheme

(iii) M/s. HCK Educational and Development Trust

Key Management Personnel (KMP)

- (i) Mr. Arjun B. Kothari - MD
- (ii) Mr. M Rajavel - WTD
- (iii) Mr. S. Sivamahesh - CFO
- (iv) Ms. K. Priya - CS

Non Independent Non Executive Director (KMP)

Non Executive Independent Directors (KMP)

- (i) Mrs. Nina B. Kothari - Chairperson
- (ii) Mr. S. Sundararaman
- (iii) Mr. V. V. SuryaRau
- (iv) Mr. Brij Mohan Bansal
- (v) Mr. Gautam Roy

Relative of Chairperson and Managing Director

(i) Mrs. Ananditha Kothari

(₹ in Lakhs)

Nature of Transactions	Holding Entity		Key Management Personnel (KMP)				Non Independent Non-Executive Director (KMP)		Non Executive Independent Directors (KMP)		Relative of Chairperson and Managing Director	
	BHK Trading LLP		Mr. Arjun B. Kothari, Managing Director		(WTD / CFO / CS) - KMP		Mrs. Nina B. Kothari, Chairperson		Mr. S. Sundarraman Mr. V.V. SuryaRau Mr. Brij Mohan Bansal Mr. Gautam Roy		Mrs. Ananditha Kothari	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Dividend	362.29	355.04	0.10	0.10	-	-	62.58	62.58	0.08	0.08	-	-
Commission	-	-	-	-	-	-	103.59	90.65	-	-	-	-
Sitting Fees	-	-	-	-	-	-	1.70	2.80	11.90	14.00	-	-
Short Term Employee Benefits	-	-	646.17	427.76	173.96	155.93	-	-	-	-	24.96	22.99
Post-Employment Benefits	-	-	14.40	7.20	19.00	17.17	-	-	-	-	2.46	2.46
Closing Balance	Nil	Nil	517.97	362.62	Nil	Nil	53.59	40.65	Nil	Nil	Nil	Nil

Nature of Transactions	Century Foods Pvt Ltd.		Kothari Safe Deposits Ltd.		Kothari Sugars & Chemicals Ltd.		Parasakthi Trading Co. Pvt. Ltd.		Shyam Kothari Foundation		HCK Educational and Development Trust		Kothari Petrochemicals Limited Employees' Gratuity Scheme	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Dividend	-	-	-	-	0.01	0.01	-	-	-	-	-	-	-	-
Lease rental	18.00	18.00	29.40	29.40	8.40	8.40	60.00	60.00	-	-	-	-	-	-
Electricity charges	-	-	-	-	-	-	11.61	11.61	-	-	-	-	-	-
Locker Rent	-	-	0.05	0.05	-	-	-	-	-	-	-	-	-	-
Rendering of manpower services	-	-	-	-	3.01	9.21	-	-	-	-	-	-	-	-
CSR Payment	-	-	-	-	-	-	-	-	139.00	120.00	16.00	10.00	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gratuity Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	95.59	105.09

Note :

- a. Remuneration to KMP and Managing Director remuneration above does not include gratuity as the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.
- b. Dividend of ₹ 100/- paid to Mrs. Nayantara B. Kothari, Relative of Chairperson and Managing Director.
- c. Related parties transactions are reported in accordance with approved Related Party Transaction Policy.
- d. Short term employee benefits includes managerial commission.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 35: Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest risk and equity price risk), credit risk and liquidity risk.

The Company seeks to minimise the effect of these risks by using financial instruments such as foreign currency forward contracts and appropriate risk management policies. The Company does not enter into trade financial instruments, including derivative financial instruments for speculative purposes.

1. Market Risk :

a) Foreign currency riskmanagement :

The Company is exposed to foreign exchange risk on account of exports. The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers) and also by maintaining reasonable open exposures within the approved parameters depending on the future outlook on currencies.

The Company's exposure to foreign currency risk is influenced by external macroeconomic factors, including global geopolitical developments, international trade dynamics, and monetary policy actions in major economies, which may result in increased volatility in foreign exchange rates. Further, movements in the Indian Rupee, including potential depreciation against major currencies, may impact the Company's earnings and cash flows.

Foreign currency forward covers outstanding as at Balance sheet date

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Forward cover (sell) :		
USD/INR (in FCY)	45.44	8.05
USD/INR (in INR)	4,275.79	703.10
EURO/ INR (in FCY)	-	-
EURO/ INR (in INR)	-	-

The forward contracts have been entered into hedge highly probable sale transactions and trade receivables. Forward cover has been taken for all the export trade receivables as at the above dates. Exposures to other currency is negligible and hence not considered above.

b) Interest rate riskmanagement :

The Company uses cash credit for working capital and used profits for maintenance and small capex, During the year, the Company is not exposed to significant interest rate risk as it does not have any interest-bearing borrowings or financial assets that are sensitive to interest rate movements. Accordingly, changes in market interest rates are not expected to have any material impact on the Company's financial statements.

c) Equity Price Risk :

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification, by placing limits on equity instruments and partly routing through portfolio management services. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

Increase or decrease in equity prices by 5% would the expose the listed equity securities at fair value of ₹ 83.88 lakhs by ₹ 4.19 lakhs as at 31st March 2026 (₹ 71.44 lakhs - as on 31st March 2025).

NOTES FORMING PART OF FINANCIAL STATEMENTS**d) Commodity Risk :**

The Company is exposed to commodity price risk and supply risk in respect of its key raw materials, which are primarily derived from crude oil. Fluctuations in global crude oil prices have a direct impact on the cost of feedstock such as naphtha, Isobutylene, butane, and other petrochemical intermediates. These price movements are influenced by several factors, including ongoing geopolitical tensions in key energy-producing regions, decisions by major oil-producing countries (including OPEC), global demand-supply dynamics, and currency fluctuations.

In the current environment, heightened geopolitical uncertainties and regional conflicts have led to increased volatility in global energy markets, thereby impacting crude oil prices and supply chains. This, in turn, has a direct bearing on the Company's input costs and procurement strategies.

In addition to price volatility, the Company is exposed to risks relating to the availability of raw materials in the required quantity. Supply disruptions, changes in product specifications, trade restrictions, or logistical constraints may adversely affect operational continuity and cost efficiency.

Further, the Company has experienced supply constraints arising from force majeure-like conditions linked to the recent geopolitical developments in the Middle East region, which have resulted in restrictions in gas supply. The Company has also been informed that the Ministry of Petroleum and Natural Gas, Government of India, has issued directions to refineries to prioritise and divert supplies for domestic LPG requirements and suspend feedstock supplies to downstream industries. This has led to constrained availability of key raw materials for the Company, thereby impacting procurement and operations.

2. Credit risk management :

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and controls relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and credit worthiness of its counter parties are periodically monitored and taken up on a case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as the major chunk of trade receivables is from oil PSUs and companies with high credit rating. Export markets for spot customers were backed by letter of credit. There is no material expected credit loss based on the past experience. The Company assesses the impairment of trade receivables as per the accounting policy and creates loss allowances, if required.

3. Liquidity risk management :

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31st March 2026. (₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1 - 3 years	More than 3 years	Total contracted cash flows
Interest bearing borrowings	-	-	-	-	-
Trade payables (Non - Interest bearing)	3,426.92	3,426.92	-	-	3,426.92
Other financial liabilities	997.15	997.15	-	-	997.15
Total	4,424.07	4,424.07	-	-	4,424.07

NOTES FORMING PART OF FINANCIAL STATEMENTS

The table below provides details of financial assets as at 31st March 2026:

(₹ in Lakhs)

Particulars	Non Current	Current	Carrying Amount
Trade receivable	-	6,139.86	6,139.86
Cash and cash equivalents	-	1,027.28	1,027.28
Other financial assets	314.59	850.94	1,165.53
Investments	8,198.24	2,238.30	10,436.54
Total	8,512.83	10,256.38	18,769.21

Note 36: Events after the reporting period

No adjusting or significant non-adjusting events have occurred between 31st March 2026, the reporting date and the date of approval of financial statements.

Note 37: Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt:		
- Towards pending GST matters	20.06	-
(b) Guarantees excluding financial guarantees:	1,792.19	243.57
(c) Other money for which company is contingently liable (LC)	-	-
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	487.12	545.09
(b) Uncalled liability on shares and other investments partly paid; and	-	-
(c) other commitments (specify nature)	-	-

Note 38 : Dues to Micro and Small suppliers

Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and relied upon by the auditors, the relevant particulars as at 31st March 2026 are furnished below:

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
The amounts remaining unpaid to micro and small suppliers as at the end of each accounting year		
Principal	470.70	574.29
Interest	0.03	0.03
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount 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 have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.03	0.03
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.03	0.03

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 39: Segment Reporting (Ind AS 108)**

The Company is engaged in the business of Manufacture and sale of Petrochemical Products which constitutes single business segment. As per management's perspective, the risks and returns from its sales do not materially vary geographically. Accordingly, there are no other business / geographical segments to be reported under Ind AS 108.

Note - 40: Additional Regulatory Information**(i) Ratios:**

Ratio	Numerator	Denominator	2025-26	2024-25
(a) Current Ratio, (in times)	Total Current Assets	Total Current Liabilities	2.48	2.34
(b) Debt-Equity Ratio, (in times)	Total Liabilities	Total Equity	0.19	0.24
(c) Debt Service Coverage Ratio, (in times)	PAT + Depreciation + Finance cost + Loss / (gain) on sale of assets	Finance cost + Principle lease payments and Loan repayments	45.20	34.61
(d) Return on Equity Ratio, (in %)	PAT	Average Total Equity	21.37%	23.82%
(e) Inventory turnover ratio, (in times)	Sale of products	Average Inventory	17.34	15.95
(f) Trade Receivables turnover ratio, (in times)	Net Credit Sales	Average Trade Receivables	11.22	11.16
(g) Trade payables turnover ratio, (in times)	Net Credit Purchases	Average trade payables	14.16	14.55
(h) Net capital turnover ratio, (in times)	Revenue from operations	Average Working capital	7.39	7.66
(i) Net profit ratio, (in %)	PAT	Revenue from operations	12.26%	11.40%
(j) Return on Capital employed, (in %)	Profit before Interest & tax	Total Equity + Non - current liabilities	25.14%	25.87%
(k) Return on investment (in %)	Gain (Loss) on Fair value of Investments + Dividend and Interest income from investments	Average value of Investments	26.12%	14.59%

The details of significant changes in ratios (25% or more) as compared to 2024 - 25

Ratios	2025-26	2024-25	% of Variance	Reason for variance
1. Debt Service Coverage Ratio, (in times)	45.20	34.61	31%	Due to increase in profits
2. Return on Investment (in %)	26.12%	14.59%	79%	Due to increase in investments

(ii) Disclosure on borrowings secured against current assets:

The company has working capital facilities from Indian bank. Quarterly returns or statements filed by the company against current assets with the bank and are in agreement with the books of accounts.

(iii) Registration of charges or satisfaction with Registrar of Companies (ROC):

The company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.

Note 41: Exceptional items

In the year 2025-26, the company scrapped old equipment which have no further use. Gain / (Loss) is shown under Exceptional item.

Note 42: Previous year figures

Previous year figures have been regrouped wherever necessary to correspond with current year's classification / disclosure.

As per our report of even date attached

For P. Chandrasekar LLP
Chartered Accountants
FRN : 000580S/S200066

Raghavendhar Sekhar
Partner
Membership No. 244016

Place : Chennai
Date : May 5, 2026

For and on behalf of the Board of Directors of
Kothari Petrochemicals Limited
CIN : L11101TN1989PLC017347

Arjun B. Kothari
Managing Director
DIN : 07117816

K. Priya
Company Secretary

S. Sundarraman
Director
DIN : 01032768

S. Sivamahesh
Chief Financial Officer