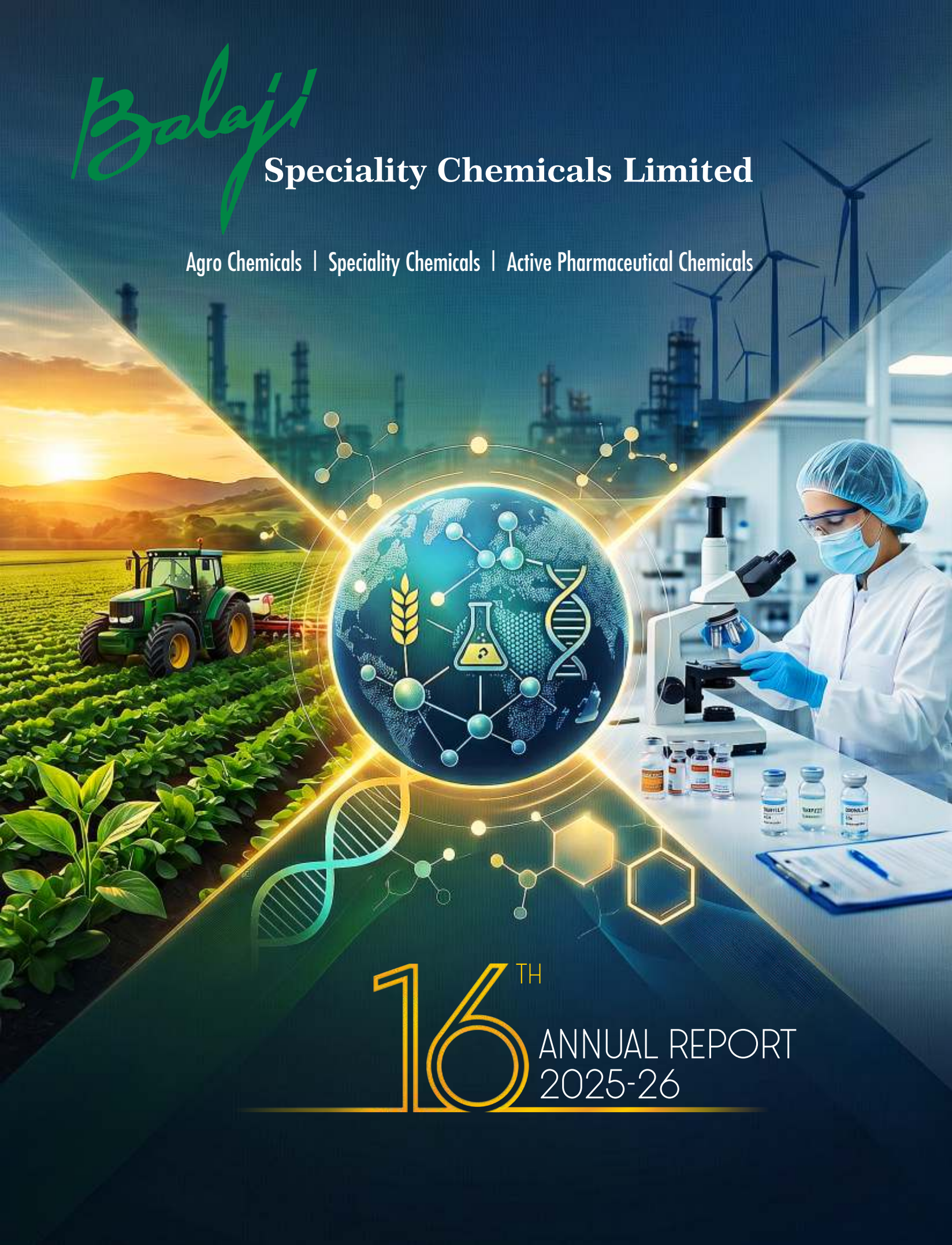




# Speciality Chemicals Limited

Agro Chemicals | Speciality Chemicals | Active Pharmaceutical Chemicals



16<sup>TH</sup> ANNUAL REPORT  
2025-26

## CORPORATE INFORMATION

### LEADERSHIP AND GOVERNANCE

#### Board of Directors

- Mr. Ande Prathap Reddy  
Executive Chairman
- Mr. Rajeshwar Reddy Nomula  
Managing Director
- Mr. Hemanth Reddy Gaddam  
Whole-time Director
- Mr. Rajendrakumar Tapadiya  
Independent Director
- Mr. Amarender Reddy Minupuri  
Independent Director
- Dr. Suhasini Yatin Shah  
Independent Director

#### Company Secretary

- Mr. Abhijeet Kothadiya

#### Bankers

- HDFC Bank Ltd
- State Bank of India

### OFFICES

#### Registered Office

2nd Floor, 'Balaji Towers'  
No. 9/1A/1, Hotgi Road, Aasara Chowk,  
Solapur - 413224, Maharashtra, India.  
CIN: U24299PN2010PLC137162  
E-mail Id.: info@balajispecialitychemicals.com  
Website: www.balajispecialitychemicals.com

#### Administrative Office

Balaji Bhawan, 3rd Floor,  
Plot No 47, Kavuri Hills, Madhapur,  
Hyderabad - 500033, Telangana

#### Production Facilities

##### Works - Unit 1

Plot No. E 8/1, Chincholi M.I.D.C.,  
Taluka - Mohol, Dist. Solapur - 413255,  
Maharashtra, India

##### Works - Unit 2

Plot No. F-114, Chincholi M.I.D.C.,  
Taluka - Mohol, Dist. Solapur - 413255,  
Maharashtra, India

### BOARD COMMITTEES

#### Audit Committee

Mr. Amarender Reddy Minupuri, Chairman  
Mr. Rajendrakumar Tapadiya, Member  
Mr. Hemanth Reddy Gaddam, Member

#### Stakeholders Relationship Committee

Dr. Suhasini Yatin Shah, Chairman  
Mr. Rajendrakumar Tapadiya, Member  
Mr. Hemanth Reddy Gaddam, Member

#### Nomination and Remuneration Committee

Dr. Suhasini Yatin Shah, Chairman  
Mr. Rajendrakumar Tapadiya, Member  
Mr. Amarender Reddy Minupuri, Member

#### Corporate Social Responsibility Committee

Mr. Rajendrakumar Tapadiya, Chairman  
Dr. Suhasini Yatin Shah, Member  
Mr. Rajeshwar Reddy Nomula, Member

#### Risk Management Committee

Mr. Hemanth Reddy Gaddam, Chairman  
Mr. Amarender Reddy Minupuri, Member  
Dr. Suhasini Yatin Shah, Member

### REGISTRAR AND SHARE TRANSFER AGENT

**MUFG Intime India Private Limited** (Link Intime India Private Limited) (effective from 31st December, 2024)  
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai - 400083, Maharashtra, India  
Tel.: 022-49186200 Website: www.linkintime.co.in

| Statutory Auditors                                                                                                                 | Secretarial Auditors                                                                                                                                            | Cost Accountants                                                                                                         | Internal Auditors                                                               |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| M/s. M. Anandam & Co.,<br>Chartered Accountants,<br>7A, Surya Towers,<br>Sardar Patel Road,<br>Secunderabad - 500003,<br>Telangana | M/s. P.S. Rao & Associates,<br>Company Secretaries,<br>Flat No. 10, 4th Floor,<br>Ishwarya Nilayam,<br>Dwarkapuri, Punjagutta,<br>Hyderabad - 500028, Telangana | Mr. Narayan D. Dontul,<br>Practicing Cost Accountant,<br>235/12, Telangi Pacha Peth,<br>Solapur - 413005,<br>Maharashtra | M/s. Aherkar & Co.,<br>Chartered Accountants,<br>Solapur-413005,<br>Maharashtra |

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## ABOUT US

Balaji Speciality Chemicals Limited (BSCL) formerly known as Balaji Speciality Chemicals Private Limited is a subsidiary of Balaji Amines Limited (BAL), incorporated in 2010, it is the sole manufacturer in India of niche chemicals such as Ethylenediamine, Piperazine (Anhydrous), Diethylenetriamine, Amino Ethyl Ethanol Amines and Amino Ethyl Piperazine, using the MonoethanolAmine (“MEA”) process.

The Company's Ethylenediamine, and Diethylenetriamine products are REACH certified, which enable it to export these products to the European Union and certain other geographies. The Company has 258 customers in India and across the globe. A significant portion of its revenue accrues from repeat orders.

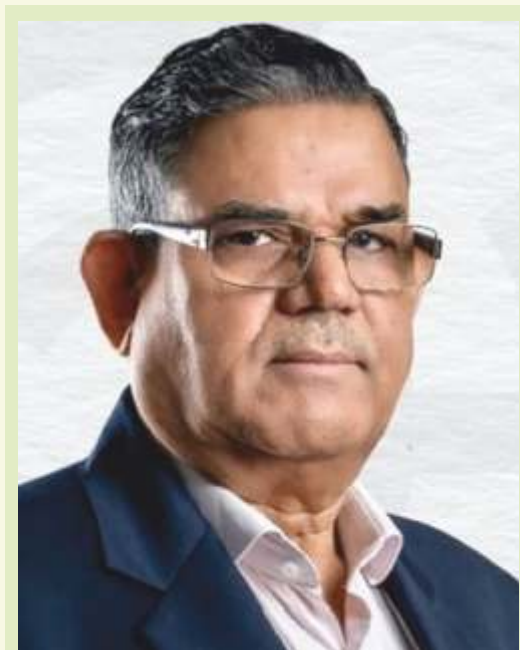
BSCL has a state-of-the-art manufacturing facility in Solapur with an installed capacity of 30,000 TPA. Its manufacturing facility is first of its kind in India to manufacture these niche products using the MEA process.

BSCL is in an advanced stage to set up a Brown Field Plant in Unit 1 for manufacturing of EDA based products for a better realization and improved plant operations. The project works are progressing at a brisk pace and expected to be commissioned in during first half of FY 2026-27

BSCL is also setting up a Green Field Project for high tech products with latest technology for manufacture of Hydrogen Cyanide, Sodium Cyanide and Derivatives/downstream products of EDA and other related products. The project is expected to commence operations by the end of FY 2026-27.

These 2 projects are being undertaken with an investment of over Rs. 750 Cr in a phased manner with funding from internal accruals and borrowings from Banks and parent company Balaji Amines Limited.

## Chairman's Address to Stakeholders



Dear Stakeholders,

I take this opportunity for your support extended to the company in a most difficult and challenging situation. The company went through a volatile situation during the past couple of years due to dumping of ETHYLENEDIAMINE by China and other countries undercutting the price to less than our cost of production resulting in decline in production and sales. The Indian Speciality chemical industry as a whole faced many challenges in the last two years due to Geopolitical situations compounded by wars. In the process not only our Industry but also other industries such as Agro Chemicals, Pharma and Coating industries got affected.

With the challenging scenarios, your company has started to mitigate the risks and to ensure our reputation of being a leader in technology based Speciality chemical products being manufactured in India as import substitutes, your company has initiated various steps to improve the performance and profitability.

In this direction, your company has envisaged to set up a new plant for ETHYLENEDIAMINE based products which have high demand and better realisation in the existing facility at Unit I. This project is in the advanced stage of completion and is expected to be commissioned during H1 of FY 2026-2027.

In order to strengthen and diversify the business, new product range plants are in the execution as a Green Field project at BSCL Unit 2 and received MEGA PROJECT status from the Govt of Maharashtra. Unit 2 is under execution in MIDC Chincholi Solapur. The Plant is to manufacture high tech products with the latest technology to produce HCN, NaCN, EDTA/EDTA 2na and other derivatives/downstream products in a phased manner. The total cost of the project is estimated at around ₹750 crores. The Project work is progressing at brisk pace and is expected to be completed by end of FY 2026-27.

### Performance Review :

During the Financial Year 2025-26, Balaji Speciality Chemicals Limited the plant's capacity utilization was around 21.49% achieving a sales turnover of Rs.152.41 Crore out of this an amount of Rs. 3.67 Crore is exported to various countries which is about 2.41%. However, we at BSCL are poised to grow in the years to come with our expansion plans which I am confident will give good performance. The New Greenfield Project is as per the plan and is progressing at brisk speed with the New Products envisaged to cater to various Pharma, Agrichem, Polymer and Coatings industries.

I take this opportunity to thank my colleagues on the Board for their contributions and guidance provided to me and the company from time to time. Last but not the least I acknowledge and thank all our employees and other stakeholders for their full support, commitment and contribution to the company at every stage. With the support of all of you, I am confident that the company will continue to strive to achieve excellence in our operations and goals and keep the company's Leadership in the field.

Warm regards,  
**Ande Prathap Reddy**  
Chairman

## **NOTICE**

NOTICE is hereby given that the 16<sup>th</sup> Annual General Meeting of the members of **BALAJI SPECIALITY CHEMICALS LIMITED** will be held on Wednesday, 8<sup>th</sup> July, 2026 at 12:00 P.M. (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements consisting of Balance Sheet as at 31<sup>st</sup> March, 2026 and the Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended on that date and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Rajeshwar Reddy Nomula (DIN: 00003854) who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. Ratification of Remuneration to Cost Auditors for the Financial Year 2026-27.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force and pursuant to the recommendation of Audit Committee, the remuneration payable to Mr. Narayan D. Dontul, Cost Accountants having Firm Registration Number 100224, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial year ended 31<sup>st</sup> March, 2027, amounting to Rs. 25,000/- (Rupees Twenty Five Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

#### **4. Re-appointment of Mr. Ande Prathap Reddy (DIN: 00003967) as Executive Chairman of the Company.**

To consider and, if thought fit with or without modification, to pass the following as an **Special Resolution**:

**“RESOLVED THAT** pursuant to the section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, subject to Articles of Association of the Company and subject to such other approvals as may be necessary, the consent of the members be and is hereby accorded for re-appointment of Mr. Ande Prathap Reddy (DIN: 00003967) as Executive Chairman of the Company for a term of 5 years with effect from 18<sup>th</sup> April, 2027 to 17<sup>th</sup> April, 2032 without remuneration.

#### **5. Re-Appointment of Dr. Suhasini Shah (DIN: 02168705) as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 149 (10), 152, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and on recommendation of the Nomination and Remuneration Committee, Dr. Suhasini Shah (DIN: 02168705), who was appointed

as an Independent Director of the Company for a term of Five (5) consecutive years commencing from 18<sup>th</sup> April, 2022 upto 17<sup>th</sup> April, 2027 and who being eligible for re-appointment as an independent director has given her consent along with a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 18<sup>th</sup> April, 2027 upto 17<sup>th</sup> April, 2032.

**RESOLVED FURTHER THAT** Mr. N. Rajeshwar Reddy (DIN: 00003854), Managing Director and /or Mr. G. Hemanth Reddy (DIN: 00003868), Whole-time Director of the Company and / or Abhijeet Kothadiya Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### **6. Appointment of Mr. M. Amarender Reddy (DIN: 05182741) as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 149 (10), 152 and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and on recommendation of the Nomination and Remuneration Committee, Mr. M. Amarender Reddy (DIN: 05182741), who was appointed as an Independent Director of the Company for a term of Five (5) consecutive years commencing from 18<sup>th</sup> April, 2022 upto 17<sup>th</sup> April, 2027 and who being eligible for re-appointment as an independent director has given his consent along with a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of Five consecutive years commencing from 18<sup>th</sup> April, 2027 upto 17<sup>th</sup> April, 2032.

**RESOLVED FURTHER THAT** Mr. N. Rajeshwar Reddy (DIN: 00003854), Managing Director and /or Mr. G. Hemanth Reddy (DIN: 00003868), Whole-time Director of the Company and / or Abhijeet Kothadiya Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### **7. To consider the appointment of Mr. Ande Srinivas Reddy (DIN: 03169721) as a Non-Executive Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and 161 and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force and on recommendation of the Nomination & Remuneration Committee, Mr. Ande Srinivas Reddy (DIN: 03169721), who was appointed as an Additional Director of the Company in the category of Non-Executive Director with effect from 06<sup>th</sup> May, 2026, who has provided his consent in Form DIR-2 to act as a Non-Executive Director and declared he is not disqualified to act as a Director, be and is hereby appointed as an Non-Executive Director of the Company, whose term of appointment is liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. N. Rajeshwar Reddy (DIN: 00003854), Managing Director and /or Mr. G. Hemanth Reddy (DIN: 00003868), Whole-time Director of the Company and / or Abhijeet Kothadiya Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or

expedient to give effect to this resolution.”

#### **8.To approve the Related Party Transactions with Balaji Amines Limited**

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and as recommended by the Audit Committee and the Board, the consent of the Members of the Company be and is hereby accorded to the Board of Directors to enter into transactions with M/s. Balaji Amines Limited (“BAL”) for Sale, Purchase, Supply of raw material, trading of Speciality Chemicals and other capital goods, utilities and other services for an estimated amount up to Rs. 50.00 crores (Rupees Fifty Crores) excluding TDS, TCS & Taxes etc from 06<sup>th</sup> May, 2026 to 05<sup>th</sup> May, 2027.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors, be and is hereby authorized to sign and execute such documents, as may be required and to do all such acts deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable in this regard.”

By Order of the Board  
For **Balaji Speciality Chemicals Limited**  
Sd/-  
**Rajeshwar Reddy Nomula**  
Managing Director  
DIN: 00003854

**Place:** Solapur  
**Date:** 6<sup>th</sup> May, 2026



**NOTES :**

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 03/2025 dated 22<sup>nd</sup> September, 2025, General Circular No. 09/2024 dated 19<sup>th</sup> September, 2024, General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023 read with General Circular Nos. 14/2020 dated 8<sup>th</sup> April 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 22/2020 dated 15<sup>th</sup> June, 2020, 33/2020 dated 28<sup>th</sup> September, 2020, 39/2020 dated 31<sup>st</sup> December, 2020, 10/2021 dated 23<sup>rd</sup> June, 2021, 20/2021 dated 8<sup>th</sup> December, 2021, 3/2022 dated 5<sup>th</sup> May, 2022, 11/2022 dated 28<sup>th</sup> December, 2022 (collectively referred to as "MCA Circulars") permitted the holding of an Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is proposed to be held through VC/OAVM.
2. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under Item No. 3 to 8 as above and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment/ re-appointment at this Annual General Meeting is annexed hereto.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll and to vote instead of himself/herself. Such a proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for the appointment of proxies by the Members under Section 105 of the Act will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
5. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
6. Notice is being sent to all the Shareholders of the Company whose email addresses are registered with the Company.
7. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
8. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days.
9. Voting on all the resolutions shall be done through show of hands. In the event, the voting is conducted through poll, the shareholders shall send their votes/poll papers only to [cs@balajispecialitychemicals.com](mailto:cs@balajispecialitychemicals.com).

By Order of the Board  
For **Balaji Speciality Chemicals Limited**  
Sd/-  
**Rajeshwar Reddy Nomula**  
Managing Director  
DIN: 00003854

**Place:** Solapur  
**Date:** 6<sup>th</sup> May, 2026

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### ITEM NO: 3

The Board of Directors, at its Meeting held on Wednesday, 6<sup>th</sup> May, 2026, upon the recommendation of the Audit Committee, approved the re-appointment of Mr. Narayan D. Dontul, Cost Accountants, having Firm Registration Number 100224, as Cost Auditors of the Company for conducting the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2027, at a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses).

Pursuant to Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of a Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Accordingly, the consent of the members is being sought for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 2026-27.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Accordingly, the Board of Directors recommend the resolution set out at Item No. 3 of the Notice for approval of members by way of an Ordinary Resolution.

### ITEM NO: 4

The Existing term of appointment of Mr. Ande Prathap Reddy, Executive Chairman shall expire on 17<sup>th</sup> April, 2027. Since Mr. Ande Prathap Reddy has attained the age of **more than 70 years**, his re-appointment as Executive Chairman requires the approval of shareholders by way of a **special resolution** under the provisions of **Section 196(3)(a)** of the Companies Act, 2013. The Board of Directors of the Company has, on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Ande Prathap Reddy as Executive Chairman of the company for a further period of 5 years effective from 18<sup>th</sup> April, 2027 subject to the approval of the members at ensuing Annual General Meeting.

Mr. Ande Prathap Reddy is a Civil Engineer by qualification and started his career in the year 1970 working for a company engaged in manufacturing of RCC spun pipes. In the year 1988 he incorporated Balaji Amines Limited for the manufacture of Methyl and Ethyl Amines. BAL's continuing success is a testimony to the entrepreneurial skills of Mr. Ande Prathap Reddy. His vision and perseverance today has taken the Company as one of the leading manufacturers and exporters of speciality chemicals, aliphatic amines and derivatives in the entire Chemical Industry.

Mr. Ande Prathap Reddy received the an award for his contribution in World Class Manufacturing and Operational Excellence for the year 2011, in the Manufacturing Leadership Awards & Conclave 2012 instituted by the Industry 2.0 magazine, a publication of 9.9 Media which seeks to recognize senior manufacturing executives who have demonstrated remarkable and outstanding excellence in their respective areas. He has been spearheading the growth of the Company and played a key role at every stage and phase of development and decision making. His vision, guidance, dynamism, and efforts have taken the Company to new heights and to the next level of growth.

Except Mr. Ande Prathap Reddy, appointee himself and Mr. Hemanth Reddy Gaddam, Whole-time Director of the company, none of the other Directors, KMP's or their relatives are concerned or interested financially or otherwise in this resolution.

The Board of Directors recommends the above resolution for your consideration and approval as Special Resolution.

### ITEM NO. 5

Dr. Suhasini Shah (DIN: 02168705) is currently an Independent Director of the Company, Chairman of Nomination and Remuneration Committee, Stakeholders Relationship Committee and Member of Corporate Social Responsibility Committee. Dr. Suhasini Shah was appointed as an Independent Director of the Company by Members at the 12<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> May, 2022 for a period of five consecutive years commencing from 18<sup>th</sup> April, 2022 upto 17<sup>th</sup> April, 2027 and is eligible for re-appointment for a second term on the Board of the Company.

The Nomination & Remuneration Committee ('NRC'), taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation has recommended to the Board that Dr. Suhasini Shah's qualifications and the rich experience of over three decades in the areas of management meets the skills and capabilities required for the role of Independent Director of the Company.

Based on the recommendation of the NRC, the Board of Directors at its Meeting held on 6<sup>th</sup> May, 2026, proposed the re-appointment of Dr. Suhasini Shah as an Independent Director of the Company for a second term of five (5) consecutive years

commencing from 18<sup>th</sup> April, 2027 upto 17<sup>th</sup> April, 2032, not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Dr. Suhasini Shah aged 60 years, is a Qualified Doctor and a Law Graduate. (MBBS and LLB) She has also completed a program in General Management for SMEP from Indian Institute of Management, Ahmedabad.

Dr. Suhasini Shah has given a declaration to the Board that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of Schedule IV and proviso to sub-section (5) of Section 152, the Board of Directors are of the opinion that Dr. Suhasini Shah fulfills the conditions specified in the Act, for her re-appointment as an Independent Director of the Company.

Dr. Suhasini Shah does not hold any shares/securities in the Company, either in her individual capacity or on a beneficial basis for any other person.

Except Dr. Suhasini Shah and her relatives, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise in this resolution.

The Board commends the Special Resolution set out at Item No.5 of the Notice for approval of the Members.

#### **ITEM NO. 6**

Mr. M. Amarender Reddy (DIN: 05182741) is currently an Independent Director of the Company, Chairman of Audit Committee and Member of Nomination and Remuneration Committee. Mr. M. Amarender Reddy was appointed as an Independent Director of the Company by Members at the 12<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> May, 2022 for a period of five consecutive years commencing from 18<sup>th</sup> April, 2022 upto 17<sup>th</sup> April, 2027 and is eligible for re-appointment for a second term on the Board of the Company.

The Nomination & Remuneration Committee ('NRC'), taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation has recommended to the Board that Mr. M. Amarender Reddy's qualifications and the rich experience of over four decades in the areas of Project Finance, Banking meets the skills and capabilities required for the role of Independent Director of the Company.

Based on the recommendation of the NRC, the Board of Directors at its Meeting held on 6<sup>th</sup> May, 2026, proposed the re-appointment of Mr. M. Amarender Reddy as an Independent Director of the Company for a second term of five (5) consecutive years commencing from 18<sup>th</sup> April, 2027 upto 17<sup>th</sup> April, 2032, not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. M. Amarender Reddy aged 74 years, is a graduate and he started his career with State Bank of Hyderabad and worked in various capacities as Branch Manager, Chief Manager, Assistant General Manager and Dy. General Manager. He also worked with State bank of Mysore as Dy. General Manager before superannuation. He is credited with vast knowledge on Project Finance, Banking etc.

Mr. M. Amarender Reddy has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of Schedule IV and proviso to sub-section (5) of Section 152, the Board of Directors are of the opinion that Mr. M. Amarender Reddy fulfills the conditions specified in the Act, for his appointment as an Independent Director of the Company.

Mr. M. Amarender Reddy does not hold any shares/securities in the Company, either in his individual capacity or on a beneficial basis for any other person.

Except Mr. M. Amarender Reddy and his relatives, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise in this resolution.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

#### **ITEM NO. 7**

The Board of Directors in their meeting held on 6<sup>th</sup> May, 2026 has appointed Mr. Ande Srinivas Reddy (DIN: 03169721) as an Additional Director of the Company in the category Non-Executive Director on recommendation of the Nomination and Remuneration Committee, who shall hold office till the Annual General Meeting. The Board further proposed his appointment as an Non-Executive Director of the Company and the Company has received notice in writing under section 160 of the Act, proposing the candidature of Mr. Ande Srinivas Reddy for the office of Director of the Company.

Mr. Ande Srinivas Reddy aged 50 years holds a Bachelor's degree in Engineering (Computer Science) from Chaitanya

Bharathi Institute of Technology, Osmania University, and a Master's degree in Computer Science from Villanova University, Pennsylvania. Additionally, he completed the Post Graduate Programme in Management for Senior Executives from the Indian School of Business, Hyderabad, in 2014. He also served as a Project Manager on multiple initiatives for Fortune 100 companies, including Sprint, Goodyear, Agilent Technologies, and Cummins Inc. In the USA and Canada

Mr. Ande Srinivas Reddy has been a member of the Balaji Amines Ltd., (BAL) Board since 2013. He is responsible for driving new and expansion projects, as well as implementing advanced technologies and processes within Balaji Amines Limited taking care of being a CFO from 2022.

Except Mr. Ande Srinivas Reddy being interested and his relatives, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise in this resolution.

#### ITEM NO. 8

Balaji Amines Limited ("BAL") is a manufacturer of various speciality chemicals. Since BAL being Holding Company of the Company and which has domain in processing required raw material at favourable terms from the global market and can supply the best quality and standards of materials for business operations of the company and the same would also ensure smooth flow of operations of the Company.

BAL is the Company, Holding Company of the Company, where Mr. A. Prathap Reddy, Executive Chairman of the company, Mr. D. Ram Reddy, Managing Director of the company, Mr. A. Srinivas Reddy, Whole-time Director and CFO of the Company, Mr. N. Rajeshwar Reddy, Whole-time- Director of the Company and along with their immediate relatives are considered as related parties as per section 188 of the Act and applicable Rules framed thereunder. Hence this Related Party Transaction will require prior approval of shareholders through Ordinary Resolution, as the aggregate value of the proposed transaction(s) amounts to 10% or more of annual turnover of the company as per last Audited financial statements of the Company.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your company with BAL.

Information pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014

| Sr. No. | Particulars                                                                                                                            | Details                                                                                                                                                                                                                         |
|---------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Name of Related party and nature of relationship                                                                                       | Balaji Amines Limited , Holding Company of the Company                                                                                                                                                                          |
| 2.      | Name of director or Key Managerial Personnel who is related, if any                                                                    | · Mr. N. Rajeshwar Reddy,<br>· Mr. A. Prathap Reddy,<br>· Mr. G. Hemanth Reddy,<br>Executive Directors of the Company are interested in the item of agenda                                                                      |
| 3.      | Nature / particulars of Contract                                                                                                       | Sale, Purchase, Supply of raw material, trading of Speciality Chemicals and other capital goods, utilities and other services                                                                                                   |
| 4.      | Duration of Contract                                                                                                                   | From 06th May, 2026 to 05th May, 2027                                                                                                                                                                                           |
| 5.      | Material terms of Contract or arrangement including value, if any                                                                      | Sale, Purchase, Supply of raw material, trading of Speciality Chemicals and other capital goods, utilities and other services for the value up to Rs. 50.00 Crores (As per the applicable provision of the Companies Act, 2013) |
| 6.      | Advance paid or received for the contract or arrangement if any                                                                        | Not Applicable                                                                                                                                                                                                                  |
| 7.      | Manner of determining the price and other commercial terms both included as part of Contract & not considered as part of contract      | On Market Rate/ Transfer Pricing/ on Arm's length basis                                                                                                                                                                         |
| 8.      | Whether all factors relevant to contract have been considered, if not the details of factors not considered and rationale for the same | Yes                                                                                                                                                                                                                             |

By Order of the Board  
For **Balaji Speciality Chemicals Limited**  
Sd/-

**Rajeshwar Reddy Nomula**  
Managing Director  
DIN: 00003854

**Place:** Solapur

**Date:** 6<sup>th</sup> May, 2026



## ADDITIONAL INFORMATION

Information pursuant to the Secretarial Standard on General Meetings (SS-2) regarding Director seeking appointment / re-appointment.

| S.No. | Particulars                                                                                                                                         | Mr. Rajeshwar Reddy Nomula                                                                                                                                                                                 | Mr. Ande Prathap Reddy                                                                                                                              | Mr. Ande Srinivas Reddy                                                                                                                                                                                                  |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Director Identification Number (DIN)                                                                                                                | 00003854                                                                                                                                                                                                   | 00003967                                                                                                                                            | 03169721                                                                                                                                                                                                                 |
| 2.    | Date of Birth and Age                                                                                                                               | 2 <sup>nd</sup> February, 1955 (71 years)                                                                                                                                                                  | 16 <sup>th</sup> May, 1951 (74 Years)                                                                                                               | 10 <sup>th</sup> May, 1975 (50 Years)                                                                                                                                                                                    |
| 3.    | Qualifications                                                                                                                                      | B. Com                                                                                                                                                                                                     | Civil Engineer                                                                                                                                      | Bachelor's degree in Engineering (Computer Science), and a Master's degree in Computer Science from Villanova University, Pennsylvania. PG in Management for Senior Executives from ISB, Hyderabad                       |
| 4.    | Experience                                                                                                                                          | He has more than 45 years of experience in setting up and managing large manufacturing facilities. He has vast experience in Planning, Strategy, Finance and general administration of various businesses. | He has more than 50 years' experience in the industry and is Executive Chairman of Balaji Amines Limited which is a holding company of the Company. | He has more than 25 Years of Experience. He is responsible - for New Projects/Expansion Projects along with New Technologies and processes of the Company. He is also additionally overseeing being a CFO from May 2022. |
| 5.    | Terms and Conditions of Appointment with details of Remuneration and Last drawn Remuneration, if any                                                | Is being re- appointed as Director liable to retire by rotation in terms of section 152 (6) of the Companies Act, 2013.                                                                                    | Executive Chairman not liable to retire by rotation.                                                                                                | Non- Executive Director not liable to retire by rotation.                                                                                                                                                                |
| 6.    | Remuneration last drawn                                                                                                                             | NIL                                                                                                                                                                                                        | NIL                                                                                                                                                 | NIL                                                                                                                                                                                                                      |
| 7.    | Proposed Remuneration                                                                                                                               | NIL                                                                                                                                                                                                        | NIL                                                                                                                                                 | NIL                                                                                                                                                                                                                      |
| 8.    | Date of Appointment by the Board                                                                                                                    | 14 <sup>th</sup> April, 2016                                                                                                                                                                               | 14 <sup>th</sup> April, 2016                                                                                                                        | 6 <sup>th</sup> May, 2026                                                                                                                                                                                                |
| 9.    | Shareholding in the Company                                                                                                                         | He is holding 57,55,400 equity shares to the extent of 2.88% as on 31 <sup>st</sup> March, 2026                                                                                                            | He is holding 1,31,29,000 equity shares to the extent of 6.56% as on 31 <sup>st</sup> March, 2026.                                                  | He is holding 2,51,03,800 equity shares to the extent of 12.55% as on 31 <sup>st</sup> March, 2026.                                                                                                                      |
| 10.   | Relationship with other directors/KMP                                                                                                               | Mr. Rajeshwar Reddy Nomula is the Brother-in-law of Mr. Hemanth Reddy Gaddam, Whole-time Director of the company                                                                                           | Mr. Ande Prathap Reddy is Father in law of Mr. Hemanth Reddy Gaddam, whole-time Director of the Company.                                            | Mr. Ande Srinivas Reddy is a son of Mr. Ande Prathap Reddy and Brother-in-law of Mr. Hemanth Reddy Gaddam, whole-time Director of the Company.                                                                           |
| 11.   | Number of Meetings of the Board attended during the year                                                                                            | 5 out of 5                                                                                                                                                                                                 | 5 out of 5                                                                                                                                          | NA                                                                                                                                                                                                                       |
| 12.   | Directorships in other companies                                                                                                                    | 1. Balaji Amines Limited<br>2. Balaji Greenfield Techno Ventures Private Limited<br>3. Thirumala Precicasts Private Limited<br>4. Srinivasa Cement Products Private Limited                                | 1. Balaji Amines Limited<br>2. Balaji Greenfield Techno Ventures Private Limited<br>3. Satyarx Pharma Innovations Private Limited                   | 1. Balaji Amines Limited                                                                                                                                                                                                 |
| 13.   | Chairmanship/Membership of the Committees of the other Boards on which he is a Director as on 31 <sup>st</sup> March, 2026 (other than the Company) | Member of Corporate Social Responsibility Committee of Balaji Amines Limited                                                                                                                               | Not Applicable                                                                                                                                      | Not Applicable                                                                                                                                                                                                           |

| S. No. | Particulars                                                                                                                                               | Dr. Suhasini Yatin Shah                                                                                                                                                                                            | Mr. Amarender Reddy Minupuri                                                                                                       |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Director Identification Number (DIN)                                                                                                                      | 02168705                                                                                                                                                                                                           | 05182741                                                                                                                           |
| 2.     | Date of Birth and Age                                                                                                                                     | 17 <sup>th</sup> August, 1965 (60 Years)                                                                                                                                                                           | 22 <sup>nd</sup> October, 1951 (74 Years)                                                                                          |
| 3.     | Qualifications                                                                                                                                            | Holds degree in Law, in medicine and in surgery from Shivaji University & completed a program in General Management for SMEP from Indian Institute of Management, Ahmedabad.                                       | B.A.                                                                                                                               |
| 4.     | Experience                                                                                                                                                | She has more than 30 years of experience in Management.                                                                                                                                                            | He has more than 40 Years of experience spread across different Industries.                                                        |
| 5.     | Terms and Conditions of Appointment with details of Remuneration and Last drawn Remuneration, if any                                                      | The re-appointment is for a term of 5 years under Independent Category and entitled to Sitting fee & Out pocket of expenses if any                                                                                 | The re-appointment is for a term of 5 years under Independent Category and entitled to Sitting fee & Out pocket of expenses if any |
| 6.     | Remuneration last drawn                                                                                                                                   | NIL                                                                                                                                                                                                                | NIL                                                                                                                                |
| 7.     | Proposed Remuneration                                                                                                                                     | NIL                                                                                                                                                                                                                | NIL                                                                                                                                |
| 8.     | Date of Appointment by the Board                                                                                                                          | 18 <sup>th</sup> April, 2022                                                                                                                                                                                       | 18 <sup>th</sup> April, 2022                                                                                                       |
| 9.     | Shareholding in the Company                                                                                                                               | NIL                                                                                                                                                                                                                | NIL                                                                                                                                |
| 10.    | Relationship with other directors/KMP                                                                                                                     | Not Applicable                                                                                                                                                                                                     | Not Applicable                                                                                                                     |
| 11.    | Number of Meetings of the Board attended during the year                                                                                                  | 4 out of 5                                                                                                                                                                                                         | 5 out of 5                                                                                                                         |
| 12.    | Directorships in other companies                                                                                                                          | 1. Balaji Amines Limited<br>2. Precision Camshafts Limited<br>3. Memco Engineering Pvt. Limited<br>4. Cams Technology Limited<br>5. Chitale Clinic Private Limited                                                 | Not Applicable                                                                                                                     |
| 13.    | Chairmanship / Membership of the Committees of the other Boards on which he/she is a Director as on 31 <sup>st</sup> March, 2026 (other than the Company) | Chairman of Stakeholder Relationship Committee, and Member of Audit Committee in Balaji Amines Limited. Chairman of Stakeholder Relationship Committee, and Member of CSR Committee in Precision Camshafts Limited | Not Applicable                                                                                                                     |

## DIRECTORS' REPORT

To,  
The Shareholders of,  
**BALAJI SPECIALITY CHEMICALS LIMITED**

Your Directors have pleasure in presenting the 16<sup>th</sup> Annual Report of the Company for the Financial Year ended 31<sup>st</sup> March, 2026.

### 1. Financial Highlights :

The Financial highlights of the Company for the financial year 31<sup>st</sup> March, 2026 are as follow:

(Rs. in Lakhs)

| Particulars                                                        | 31.03.2026       | 31.03.2025       |
|--------------------------------------------------------------------|------------------|------------------|
| Revenue from Operations                                            | 15,241.43        | 13,446.59        |
| Other Income                                                       | 242.03           | 1,049.68         |
| <b>Total Income</b>                                                | <b>15,483.46</b> | <b>14,496.27</b> |
| <b>Total Expenses (Excluding Finance Costs &amp; Depreciation)</b> | <b>13,507.13</b> | <b>12,872.58</b> |
| <b>Operating Profit/(Losses)</b>                                   | <b>1,976.33</b>  | <b>1,623.68</b>  |
| Less: Finance Costs                                                | 311.29           | 184.63           |
| <b>Profit/(Loss) before depreciation and amortization</b>          | <b>1,665.04</b>  | <b>1,439.05</b>  |
| Less: Depreciation                                                 | 1,084.40         | 1,013.34         |
| <b>Profit / (Loss) before Tax</b>                                  | <b>580.64</b>    | <b>425.71</b>    |
| Less: Taxes                                                        |                  |                  |
| Current Tax                                                        | 105.40           | 84.78            |
| Deferred Tax                                                       | 39.54            | 97.72            |
| Adjustments of earlier year tax provisions                         | 0.83             | 4.88             |
| <b>Total Tax</b>                                                   | <b>145.77</b>    | <b>187.38</b>    |
| <b>Net Profit/(Loss) after Tax</b>                                 | <b>434.87</b>    | <b>238.33</b>    |
| Other Comprehensive Income                                         | (1.99)           | 19.09            |
| <b>Total Comprehensive Income for the year</b>                     | <b>432.88</b>    | <b>257.42</b>    |
| <b>EPS ( in Rs.)</b>                                               | <b>0.22</b>      | <b>0.12</b>      |
| <b>Net Worth</b>                                                   | <b>43,347.20</b> | <b>42,914.32</b> |

### 2. Financial Performance and the State of Company's Affairs:

The Revenue from operations for the year ended 31<sup>st</sup> March, 2026 aggregated to Rs.15,241.43 Lakhs as against Rs. 13,446.59 Lakhs compared to the previous year. The Profit After Tax (PAT) increased by 82.47% from Rs. 238.33 Lakhs to Rs. 434.87 Lakhs. The earnings per share increased by 83.33% from Rs. 0.12 per share to Rs. 0.22 per share. The company's operations during the year have slightly improved compared to the previous year. However, situations prevailing since last year have not changed much. The performance of the user industries such as Agrichem, Pharma and Coating continues to be at a lower level due to continuation of the Ukraine and Russia war coupled with climatic conditions across the globe.

Further dumping of EDA by Chinese and other countries suppliers continued at prices below our cost of production impacting our sales revenue and also the profitability. Our concerns were brought to the notice of Govt of India through the Ministry of Commerce and filed our application for imposing Anti Dumping Duty on EDA imports where our company has faced injury.

The critical raw materials are predominantly being imported, the prices are volatile and affecting our operations and impacting on the bottom line.

### 3. Future Outlook:

The company has been working on converting its product portfolio to be more robust and insulated from any external exigencies. In this direction, the company has proposed the following projects.

The Brown Field Project for EDA based products in the existing Unit 1 is under execution to widen the product portfolio of the present production capacity by converting EDA into high value products such as Piperazine, DETA and TETA as the realisation for these products are higher with wider customer base and catering to multi sectors.

The Greenfield Mega Project Unit - II at MIDC, Chincholi, Solapur is going on at a brisk speed and expected to be commencing operations by March 2027. This New plant which is based on Hydrogen Cyanide, Sodium Cyanide based product line will further enhance the profitability and revenue of the Company in coming years which will be catering to the increasing demand for the new products and Cyanation stream of products which are growing at double digits.

**4. Dividend:**

In order to expand the business and conserve the resources of the Company, your directors do not recommend any dividend for the current year.

**5. Capital Structure:**

During the year, there were no changes in the capital structure of the Company. At present, the Authorised Share Capital of the Company is ₹ 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 22,50,00,000 (Twenty Two Crore Fifty Lakhs) Equity Shares of ₹ 2/- (Rupees Two only) each. The issued and paid up Share Capital of the Company is ₹ 40,00,00,000/- (Rupees Forty Crores Only) comprising 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 2/- each.

**6. Transfer to Reserves:**

During the year under review, the Company has not transferred any amount to its General Reserve.

**7. Credit Rating:**

During the Financial Year 2025-2026, the Company received Credit Rating of CARE A/ CARE A1 from Care Ratings Limited for Long-term/Short-term bank facilities of the Company.

**8. Change in the Nature of Business, if any:**

There is no change in the nature of business of the Company during the Financial Year 2025-26.

**9. Material Changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of the Report:**

No material changes have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**10. Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the Going Concern Status and Company's Operations in Future:**

There are no significant and material orders passed by the Regulators, Courts or Tribunals, which affects the going concern status of the Company and its operations, in future.

**11. Details of Subsidiary / Joint Ventures / Associate Companies:**

There are no Subsidiary / Joint Ventures / Associates of the Company as on 31<sup>st</sup> March, 2026. As such, there is nothing to report under this clause.

**12. Deposits:**

The Company has not accepted any deposits pursuant to Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 during the period under review.



**13. Statutory Auditors:**

M/s. M. Anandam & Co., Chartered Accountants (Firm Registration No.000125S) were appointed as Statutory Auditors of the Company for a period of 5 years from the conclusion of 12<sup>th</sup> Annual General Meeting of the Company till the conclusion of 17<sup>th</sup> Annual General Meeting of the Company.

**14. Auditor's Report:**

The Independent Auditors report given by M/s. M. Anandam & Co., Chartered Accountants, Statutory Auditors of the Company on Financial Statements of the Company does not contain any qualification, reservation or adverse remark.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

**15. Annual Return:**

The Copy of Annual Return in Form MGT-7 is placed on the website of the Company at [https://www.balajispecialitychemicals.com/details.php?source\\_ref=Mg==](https://www.balajispecialitychemicals.com/details.php?source_ref=Mg==)

**16. Secretarial Auditors and Secretarial Audit Report:**

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. P. S. Rao & Associates, Practicing Company Secretaries, as Secretarial Auditors to conduct Secretarial Audit for 2025-26. Report issued by the Secretarial Auditors pursuant to Section 204(1) of the Companies Act, 2013 for the financial year ended 31<sup>st</sup> March, 2026 is given in 'Annexure I' attached hereto and forms part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark on the Company.

**17. Internal Auditors:**

The Board of Directors on recommendation of the Audit Committee have appointed M/s. Aherkar & Co., Chartered Accountants, Solapur as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on a quarterly basis to the Audit Committee and Board. There are no observations of materiality or fraud detected in the process of Internal Audit.

**18. Cost Auditors:**

Pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, the Audit Committee has recommended and the Board of Directors had appointed Mr. Narayan D. Dontul, Cost Accountants, Solapur as Cost Auditors of the Company to carry out the cost audit of the products manufactured by the Company during the financial year 2025-2026 at a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand only).

Further, the Board has re-appointed Mr. Narayan D. Dontul, Cost Accountants, Solapur as Cost Auditors of the Company to carry out the cost audit of the products manufactured by the Company for the financial year 2026-27 at a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand only).

**19. Particulars of Contracts or Arrangements with Related Parties:**

The transactions entered into with related parties during the year were in Ordinary Course of the Business and on Arm's Length basis. Form AOC-2 as required by the Companies Act, 2013 is provided as "Annexure II" to this report.

**20. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure III".

## 21. Corporate Social Responsibility (CSR):

The Board in compliance with the provisions of Section 135(1) of the Companies Act, 2013, and rules made thereunder, has constituted CSR Committee with Mr. Rajendrakumar Mohanprasad Tapadiya, Independent Director as a Chairman, Dr. Suhasini Yatin Shah, Independent Director and Mr. Rajeshwar Reddy Nomula, Managing Director of the Company as its Members. During the year, the CSR Committee was met one time on 17<sup>th</sup> May, 2025. During the year, Provision of Section 135 of the Companies Act, 2013 were not applicable to the Company.

## 22. Details of Directors or Key Managerial Personnel who were appointed or have resigned during the Year:

During the year, the composition of the Board of Directors of your Company has been in conformity with the requirements of the Companies Act, 2013. The Board of Directors of the Company as on 31<sup>st</sup> March, 2026 consisted of Six (6) Directors comprising Three (3) Executive Directors and Three (3) Non-Executive Independent Directors including one women director.

During the year, Mr. Rajeshwar Reddy Nomula (DIN: 00003854) was re-appointed as a Managing Director of the Company with effect from 01<sup>st</sup> June, 2026.

Mr. Ande Srinivas Reddy has been appointed as a Non Executive Director with effect from 6<sup>th</sup> May, 2026.

During the year Mr. Pardeepsingh Watwani resigned from the office of Chief Financial Officer of the Company with effect from 15<sup>th</sup> May, 2026

## 23. Directors retiring by rotation:

In accordance with the provisions of Section 152 of the Act read with Rules made thereunder and the Articles of Association of the Company, Mr. Rajeshwar Reddy Nomula (DIN: 00003854) is liable to retire by rotation at the 16<sup>th</sup> AGM and being eligible, has offered himself for re-appointment.

Accordingly, the matter relating to re-appointment of Mr. Rajeshwar Reddy Nomula (DIN: 00003854) is being placed for the approval of the shareholders at the 16<sup>th</sup> AGM.

## 24. Declaration by Independent Directors:

Your Company has received declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

## 25. Number of Meetings of the Board of Directors:

During the Financial Year, 5 (Five) number of Board meetings were held on 17<sup>th</sup> May, 2025, 28<sup>th</sup> July, 2025, 3<sup>rd</sup> November, 2025, 02<sup>nd</sup> December, 2025 and 24<sup>th</sup> January, 2026 and the intervening gap between the two consecutive Meetings was within the period prescribed under the Companies Act, 2013.

The brief details and attendance of directors are as under:

| S.No | Name of the Director         | Designation          | No. of meetings attended |
|------|------------------------------|----------------------|--------------------------|
| 1.   | Mr. Rajeshwar Reddy Nomula   | Managing Director    | 5                        |
| 2.   | Mr. Ande Prathap Reddy       | Executive Chairman   | 5                        |
| 3.   | Mr. Hemanth Reddy Gaddam     | Whole-Time Director  | 5                        |
| 4.   | Mr. Amarender Reddy Minupuri | Independent Director | 5                        |
| 5.   | Mr. Rajendrakumar Tapadiya   | Independent Director | 5                        |
| 6.   | Dr. Suhasini Yatin Shah      | Independent Director | 4                        |

**26. Compliance with secretarial standards on Board and General Meetings:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

**27. Meetings of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013, one separate meeting of independent directors was held during the year without the presence of non-independent directors and members of the management to assess the quality, quantity and timelines of flow of information between the Company Management and the Board. During the year, the Meeting of Independent Directors was held on 24<sup>th</sup> January, 2026.

**28. Committees of the Board:**

Details of committees of the Board, their composition and other details are provided in "Annexure –IV" to the Board's Report.

**29. Particulars of Loans, Guarantees or Investments under Section 186:**

During the year, your Company has not advanced any loan, given guarantees or provided securities or invested in any other Body Corporates which falls under Section 186 of the Companies Act, 2013.

**30. Risk Management Policy:**

The Board of Directors periodically evaluates the process for Risk Identification and Risk Mitigation. The Company has a system in place for Risk Management to define, assess and track business threats and obstacles throughout the Company. The management of your Company has duly adopted the Risk Management Policy to articulate the Company's approach and expectations in relation to the management of risk across the organization.

The Risk Management Policy is available on Company's website at  
<http://www.balajispecialitychemicals.com/pdf/1661264670Risk%20Management%20Policy.pdf>

**31. Nomination and Remuneration Policy:**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors and Senior Management personnel and fix their remuneration.

The Nomination and Remuneration Policy is posted on the website of the Company at the link:  
<http://www.balajispecialitychemicals.com/pdf/1661264547Nomination%20and%20Remuneration%20Policy.pdf>

**32. Familiarization Programme:**

At the time of appointing a director, a formal letter of appointment is given, which inter alia explains the role, function, duties and responsibilities expected from a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, other various statutes and an affirmation is obtained. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, briefings are regularly made to the Independent Directors on various matters inter-alia covering the Company's operations, industry and regulatory updates, strategy, finance, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

A formal familiarisation programme is conducted about the amendments in the Companies Act, 2013, Rules prescribed

thereunder, and all other applicable laws of the Company. The Company do notify the changes in all the applicable laws from time to time to the Board of Directors regularly in every Board Meeting the details of the familiarisation programme for Directors are available on the Company's website at:

[www.balajispecialitychemicals.com/pdf/1661264444Familiarization%20Programme%20for%20Independent%20Directors.pdf](http://www.balajispecialitychemicals.com/pdf/1661264444Familiarization%20Programme%20for%20Independent%20Directors.pdf)

### **33. Annual Board Evaluation:**

The Board evaluation criteria for the Board was based on questionnaires containing select parameters like composition, frequency of meeting, active participation, effective deliberation, constructive decisions including the flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Board has carried out the annual performance evaluation of its own performance by the Directors individually (including Independent Directors) as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. The annual performance evaluation of the Directors individually vis-à-vis the Board and its committees have been carried out.

### **34. Statement regarding opinion of the board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year.**

The Board of Directors have evaluated the Independent Directors appointed and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

### **35. Directors' Responsibility Statement:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:-

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a going concern basis; and
- e. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### **36. Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act:**

The Company has in place an Anti-Sexual Harassment Policy (Policy) in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2025-26:

- a. No. of complaints pending at the beginning of the year : Nil
- b. No. of complaints received: Nil
- c. No. of complaints disposed off: Nil
- d. No. of complaints pending at the end of the year : Nil

**37. Vigil / Whistle Blower Mechanism:**

The Board approved Vigil Mechanism of the Company at its meeting held on 01<sup>st</sup> June 2022 pursuant to provisions of Section 177 of Companies Act, 2013. The purpose of the policy is to provide a framework to promote responsible and secure whistle blowing and to protect directors/employees wishing to raise a concern about serious irregularities within the Company. Under the policy, protected disclosures against below Board level employees will be addressed to the Whole-time Director / Managing Director and against Board level employees to the Chairman of the Board. During the year, no reporting under Vigil Mechanism was made by any employee or Director of the Company.

**38. Human Resource & Industrial Relations:**

The Company's total manpower as on 31<sup>st</sup> March, 2026 was 157 Employees. During the year, harmonious industrial relations were maintained in the Company.

**39. Customer Service and Support:**

Your Company to ensure customer satisfaction by delivering quality products to make our customers achieve their intended goals. Your company considers customer satisfaction and feedback as a critical measure of our business success and uses the feedback received from our customers to improve the quality of products.

**40. Health, Safety and Environment:**

Your Company's activities are subject to the environmental laws and regulations of India, which govern, among other things, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages, and employee health and employee safety. The company aims to comply with applicable health and safety regulations and other requirements in our operations and have adopted a robust occupational health and safety policy that is aimed at, inter alia, complying with applicable environmental laws and regulations and voluntary commitments, providing a healthy and safe work environment, effectively communicating with facility employees and connected agencies like suppliers and customers and continuing improvement in the organisation's environmental performance through prevention of pollution.

Your Company is committed to ensure a safe and healthy environment at all its facilities and further provide for medical check-ups and safety measures in order to achieve zero accidents on a sustainable basis. Your Company takes initiatives to reduce the risk of accidents at all the manufacturing facilities.

Your Company gives highest priority to safety, occupational health and protection of the environment in and around its working areas. Besides your Company has installed necessary fire safety measures, CCTV cameras have also been installed and the Company conducts regular mock drills, health awareness programs and water and electricity conservation activities from time to time.

**41. Insurance:**

The Company maintains public liability insurance as required under the Public Liabilities Insurance Act, 1991 and have also procured insurance policies that insure against material damage to our EDA catalyst, raw material and finished goods at our manufacturing facility. We also maintain a group personal accident insurance policy, employee compensation liability policy, group health insurance policy, group gratuity scheme, as well as industrial all-risk policy covering building, property, plant and machinery and stocks.



**42. Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements:**

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems consist of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources acquired are used economically.

**43. Details of Application Made Or Any Proceeding Pending Under Insolvency and Bankruptcy Code, 2016**

During the year under review, the Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**44. Details of Difference between Amount of the Valuation done at the Time of One-Time Settlement and The Valuation done while taking loan from the banks or financial institutions along with the reasons thereof**

During the year under review, the Company has not made any one-time settlement while taking any loans from the Banks or Financial Institutions.

**45. Acknowledgments:**

Your Directors would like to express their grateful appreciation for assistance and cooperation from the banks, Customers, Government authorities, consultants, vendors and members during the period under review and the confidence reposed by them. The Board further takes this opportunity to express its sincere appreciation for all the efforts put in by the employees of the Company at all levels in achieving the results and hope that they would continue their sincere and dedicated endeavour towards attainment of better working results during the current year.

By Order of the Board  
For **Balaji Speciality Chemicals Limited**

Sd/-

**Ande Prathap Reddy**

Chairman

DIN: 00003967

**Place:** Hyderabad

**Date:** 6<sup>th</sup> May, 2026

**ANNEXURE - I**  
**Form No. MR - 3**  
**SECRETARIAL AUDIT REPORT**

for the Financial Year ended March 31, 2026

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014] & 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015*

To  
The Members  
**Balaji Speciality Chemicals Limited**  
Solapur

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder- (Not applicable to the Company);
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not applicable to the Company);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company);

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. The industry specific major laws applicable to the company are:
- (a) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 under the Environment (Protection) Act, 1986
  - (b) Petroleum Act 1934
  - (c) Poisons Act 1919
  - (d) The Indian Boilers Act, 1923
  - (e) The Explosives Act 1983
  - (f) Manufacture Storage and Import of Hazardous Chemical Rules, 1989
  - (g) Public Liability Insurance Act, 1991

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**Place:** Hyderabad  
**Date:** 06.05.2026  
**UDIN:** F010322H000293726

For **P. S. Rao & Associates**  
**Company Secretaries**  
Sd/-  
**CS P. S. Rao**  
**Sr. Partner**  
**M. No.:** F10322  
**C P No:** 3829  
**PR:** 6678/2025

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

**ANNEXURE - A**

To  
The Members  
**Balaji Speciality Chemicals Limited**  
Solapur

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

1. Maintenance of secretarial and other statutory record is the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **P. S. Rao & Associates**  
**Company Secretaries**

Sd/-

**CS P. S. Rao**  
**Sr. Partner**

**M. No.: F10322**

**C P No: 3829**

**PR: 6678/2025**

**Place:** Hyderabad  
**Date:** 06.05.2026  
**UDIN:** F010322H000293726

**ANNEXURE - II**  
**FORM NO. AOC -2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis : Not Applicable**

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

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions                                | Transaction Value (Rs. in Lakhs) | Duration of the Contracts/ arrangements/ transactions | Salient terms of transactions                                                                                                                                              | Date(s) of approval by the Board, if any | Amount paid as advances if any |
|---------|---------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------|
| 1.      | Balaji Amines Limited, Holding Company                  | a. Sales<br>b. Purchase<br>c. Services                                         | 1,897.83                         | 1 Year                                                | Sale, purchase or supply of raw material and trading of Speciality Chemicals and other capital goods and Utilities.                                                        | 2 <sup>nd</sup> December, 2025           | Not Applicable                 |
| 2.      | Balaji Amines Limited, Holding Company                  | Premises on lease for a period of three years for Registered office at Solapur | 6.60                             | 3 Years (From 1 <sup>st</sup> April 2025)             | Rent payment Rs. 55,000 Per Month                                                                                                                                          | 6 <sup>th</sup> February, 2025           | Not Applicable                 |
| 3.      | Balaji Amines Limited, Holding Company                  | Premises on lease for a period of three years in Hyderabad                     | 1.20                             | 3 Years (From 1 <sup>st</sup> November 2025)          | Rent payment Rs. 10,000 Per Month                                                                                                                                          | 6 <sup>th</sup> February, 2025           | Not Applicable                 |
| 4.      | Balaji Amines Limited, Holding Company                  | Inter Corporate Loan                                                           | 3000                             | 7 Years                                               | Loan of Rs.20,000 Lakhs from Balaji Amines Limited Holding Company for expansion of Brownfield expansion of EDA Based products at Unit - I of BSCL and Green Field Project | 6 <sup>th</sup> February, 2025           | Not Applicable                 |
| 5.      | Balaji Amines Limited, Holding Company                  | Payment of Interest on Loan                                                    | 72.79                            | 7 Years                                               | Interest on Loan taken from Balaji Amines Limited holding company                                                                                                          | 6 <sup>th</sup> February, 2025           | Not Applicable                 |

By Order of the Board  
**For Balaji Speciality Chemicals Limited**

Sd/-  
**Ande Prathap Reddy**

Chairman  
DIN: 00003967

**Place :** Hyderabad  
**Date :** 6<sup>th</sup> May, 2026



## **ANNEXURE - III**

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

[Pursuant to section 134 (3) (m) of The Companies Act, 2013, read  
with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

#### **A. CONSERVATION OF ENERGY:**

The Company endeavour is continual improvements in Energy Management by way of :

- Installed Rooftop Solar Power Plant on the existing sheds to generate Renewable energy at no cost.
- Latest Technology Interventions by initiating to install Heat Recovery Turbine system with a capacity of 828 kw to save energy and produce power from waste heat.
- Monitoring and analysis of energy related parameters on a regular basis for identifying the Improvement avenues.
- Engaging with OEM (Original Equipment Manufacturers), Technology Licensor, Experts of the Field, Academic/ Research Universities, Technocrats, Initiatives taken by similar types of Industries for continual improvements in Productivity and Energy reduction aspects.
- Energy Consumption Benchmarking exercise in terms of various operations engaged in manufacturing activity.
- The company has adopted the Bureau of energy efficiency, Ministry of Power formats for accounting Energy and Carbon footprint per Ton of Product to bring Energy and Emissions awareness among front line managers, demonstrating commitment towards the Energy Conservation and protecting all the Environment aspects.
- The Company is committed to sustain the Energy Management initiatives across the Business with an inclusive approach creating a conducive Environment for Self-Initiation, Suggestions from all levels of operations, relevant Training, usage of various tools as well as continual tracking of regulations /policy amendments and Year on Year budget allocation towards Energy Reduction initiatives to demonstrate the commitment towards Energy Efficient Manufacturing practices.

#### **(I) To achieve the above objectives the following steps are being undertaken by the Company:**

- (a) Continuous monitoring of the energy parameters such as maximum demand, Load and power factor of Individual Consumer, TOD tariff utilisation, Process Specific Consumption Norms for Power, Steam and Fuel .
- (b) Tracking of Individual Equipment's Efficiency, Exploring alternates in Market having less Energy Consumption norms mainly for Rotary Equipments on regular basis.
- (c) Exploring different Catalyst and their performance in In house Research Center for better Energy Consumption Norms.
- (d) Increasing the awareness of energy saving within the organization to avoid wastage of energy Recognition and Awards policy for various Energy Reduction Initiatives.
- (e) Audits are performed to account losses and implementation of mitigation plans.

#### **(II) Steps taken by the Company for utilising alternate sources of energy:**

Part of Solar power generated by the parent company has been sourced to achieve Net Zero commitments over a period of time and in this process - the company has bought Solar power units to the extent of 11,90,295 units. Installation of a Solar Power Plant of 118KW Capacity. During the year 23,639 Kwh units were generated by the Solar Power Plant which resulted in reducing electricity consumption.

#### **(III) Capital investment on energy conservation equipment:**

- a) Installation of Heat Recovery System of 828 Kw to generate power from the waste heat.
- b) Reduction in No. of Starts -Stops compared to previous 3 Years reducing the Energy Consumption during Plant Start-up on annualized basis.

**B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION EFFORTS MADE:**
**a) The efforts made towards technology absorption:**

The Company has stabilised the plant. Presently the Plant is successfully operating at desired output and quality.

**b) The benefits derived like product improvement, cost reduction, product development or import substitution:**

The Company has reviewed the Plant operating parameters and improved the consumption coefficient. The Company has also improved the special quality requirements not only with respect to Percentage of Assay but also in terms of Colour and other physical characteristics based on continual interactions with Customers including mode of packaging, transport etc.,

In terms of Quality and plant capacity, the Company is having foot print in Domestic as well International Market.

All the products being manufactured by us, are Import Substitutes for the Indian market and are in line with the Self Reliance policy of Government of India (GOI) i.e. Make in India concept.

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

- Whether the technology been fully absorbed; - Yes
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and – NotApplicable

**C. THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT– NIL**
**D. FOREIGN EXCHANGE EARNINGS AND OUTGO**

| Particulars             | 2025-26          | 2024-25          |
|-------------------------|------------------|------------------|
| Foreign Exchange outgo  | Rs. 95,71,89,228 | Rs. 82,84,65,299 |
| Foreign Exchange earned | Rs. 4,33,73,729  | Rs. 19,38,78,344 |

By Order of the Board  
For **Balaji Speciality Chemicals Limited**

Sd/-  
**Ande Prathap Reddy**  
Chairman  
DIN: 00003967

**Place :** Hyderabad  
**Date :** 6<sup>th</sup> May, 2026

## ANNEXURE - IV

### DETAILS OF COMMITTEES OF THE BOARD

#### Audit Committee :

The Committee has two independent directors, one executive Director who provides assistance to the Board of Directors in fulfilling its responsibilities.

The Audit Committee is empowered with functions according to the powers, scope and role as defined and prescribed under section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and acts in terms of reference and directors if any given by the board from time to time.

5 (Five) number of Audit Committee meetings were held during the financial year on 17<sup>th</sup> May, 2025, 28<sup>th</sup> July, 2025, 3<sup>rd</sup> November, 2025, 02<sup>nd</sup> December, 2025 and 24<sup>th</sup> January, 2026. The brief detail is as under:

| Name of the Director                   | Designation | Category of Director               | No. of Meetings attended |
|----------------------------------------|-------------|------------------------------------|--------------------------|
| Mr. Amarender Reddy Minupuri           | Chairman    | Independent Non-Executive Director | 5                        |
| Mr. Rajendrakumar Mohanprasad Tapadiya | Member      | Independent Non-Executive Director | 5                        |
| Mr. Hemanth Reddy Gaddam               | Member      | Executive Director                 | 5                        |

The primary objective of the audit committee is to monitor and effectively supervise the Company's financial reporting in compliance with various policies, procedures and standard practices as in vogue in India.

The terms of reference of the Audit Committee are as per section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and includes such other functions as may be assigned to it by the Board from time to time.

#### Nomination and Remuneration Committee:

The Nomination and Remuneration committee has been formed in compliance Section 178 of the Companies Act, 2013 comprising the 3 Independent Directors. 2 (Two) number of meetings were held during the Financial Year on 17<sup>th</sup> May, 2025, and 24<sup>th</sup> January, 2026. The composition of the committee is given below:

| Name of the Director                   | Designation | Category of Director               | No. of Meetings attended |
|----------------------------------------|-------------|------------------------------------|--------------------------|
| Dr. Suhasini Yatin Shah                | Chairman    | Independent Non-Executive Director | 1                        |
| Mr. Rajendrakumar Mohanprasad Tapadiya | Member      | Independent Non-Executive Director | 2                        |
| Mr. Amarender Reddy Minupuri           | Member      | Independent Non-Executive Director | 2                        |

#### Corporate Social Responsibility Committee :

The Corporate Social Responsibility (CSR) Committee has been formed in compliance with Section 135 of the Companies Act, 2013 which comprises 2 Independent Directors and One Executive Director of the Company. 1 (One) meeting of the CSR Committee were held on 17<sup>th</sup> May, 2025.

The composition of the committee is given below:

| Name of the Director                   | Designation | Category of Director               | No. of Meetings attended |
|----------------------------------------|-------------|------------------------------------|--------------------------|
| Mr. Rajendrakumar Mohanprasad Tapadiya | Chairman    | Independent Non-Executive Director | 1                        |
| Dr. Suhasini Yatin Shah                | Member      | Independent Non-Executive Director | 1                        |
| Mr. Rajeshwar Reddy Nomula             | Member      | Executive Director                 | 1                        |

During the year, the committee has formulated and recommended the CSR policy to the Board and the same is adopted by the Board.

#### Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted by the Board of Directors in their meeting held on 1<sup>st</sup> June, 2022. The scope and functions of the committee are in compliance with Section 178 of the Companies Act, 2013. The composition of the committee is given below:

| Name of the Director                   | Designation | Category of Director               |
|----------------------------------------|-------------|------------------------------------|
| Dr. Suhasini Yatin Shah                | Chairman    | Independent Non-Executive Director |
| Mr. Rajendrakumar Mohanprasad Tapadiya | Member      | Independent Non-Executive Director |
| Mr. Hemanth Reddy Gaddam               | Member      | Executive Director                 |

#### Risk Management Committee:

The Risk Management Committee was constituted by the Board of Directors in their meeting held on 1<sup>st</sup> June, 2022. The scope and functions of the committee are in compliance with Section 178 of the Companies Act, 2013. The composition of the committee is given below:

| Name of the Director         | Designation | Category of Director               |
|------------------------------|-------------|------------------------------------|
| Mr. Hemanth Reddy Gaddam     | Chairman    | Executive Director                 |
| Mr. Amarender Reddy Minupuri | Member      | Independent Non-Executive Director |
| Dr. Suhasini Yatin Shah      | Member      | Independent Non-Executive Director |

#### IPO Committee:

The IPO Committee was constituted by the Board of Directors in their meeting held on 1<sup>st</sup> June, 2022. The scope and functions of the committee are in compliance with the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The composition of the committee is given below:

| Name of the Director       | Designation | Category of Director |
|----------------------------|-------------|----------------------|
| Mr. Rajeshwar Reddy Nomula | Chairman    | Executive Director   |
| Mr. Hemanth Reddy Gaddam   | Member      | Whole time Director  |
| Mr. Ande Prathap Reddy     | Member      | Whole time Director  |

By Order of the Board  
For **Balaji Speciality Chemicals Limited**

Sd/-  
**Ande Prathap Reddy**  
Chairman  
DIN: 00003967

**Place:** Hyderabad  
**Date:** 6<sup>th</sup> May, 2026

## Independent Auditor's Report

To the Members of Balaji Speciality Chemicals Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Balaji Speciality Chemicals Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

#### Basis for Opinion

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 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 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

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Auditor's Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | <b>Revenue Recognition</b> <ul style="list-style-type: none"> <li>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over goods is transferred to the customers, which is mainly upon delivery.</li> <li>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before the control over goods is transferred.</li> <li>Refer Note 1(C)(vi) to the Financial Statements - Material Accounting Policies.</li> </ul> | <b>Principal Audit Procedures</b> <ul style="list-style-type: none"> <li>Our audit approach was a combination of tests of internal controls and substantive procedures including:</li> <li>Assessed the appropriateness of Company's revenue recognition in line with Ind As115 - Revenue from Contracts with Customers.</li> <li>Evaluated the design and implementation of Company's controls in respect of revenue recognition.</li> <li>Tested the effectiveness of such controls over revenue cut off at the year end.</li> <li>Tested the supporting documentation for sales transactions recorded during the period closer to the year-end and subsequent to the year-end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</li> <li>Compared revenue with historical trends and where appropriate, conducted further inquiries and testing.</li> <li>Assessed disclosures in financial statements in respect of revenue as specified in INDAS 115.</li> </ul> |



| Sr. No. | Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Auditor's Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | <b>Valuation of Inventory</b> <ul style="list-style-type: none"> <li>The Company's inventory balance as at March 31, 2026 amounted to ₹3132.14 lakhs comprising raw materials, work-in-progress and finished goods. Inventory is carried at the lower of cost and net realizable value. Determination of net realizable value involves significant judgment in estimating future selling prices, forecast demand and inventory obsolescence. Further, valuation of work-in-progress and finished goods includes absorption of manufacturing overheads which requires judgment in determining normal production capacity. Due to the significance of inventory balances and the degree of estimation involved, inventory valuation was a key audit matter.</li> <li>Refer Note 1(C)(xv) to the Financial Statements - Material Accounting Policies.</li> </ul> | <b>Our audit procedures included, among others:</b> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's process and tested key internal financial controls relating to inventory valuation;</li> <li>Tested, on a sample basis, the operating effectiveness of controls over standard costing and inventory provisioning;</li> <li>Verified inventory costing calculations including overhead absorption;</li> <li>Compared carrying values of finished goods with subsequent sales prices;</li> <li>Evaluated assumptions used by management in determining obsolete and slow-moving inventory provisions;</li> <li>Assessing consistency of assumptions with prior periods; and</li> <li>Assessed adequacy of disclosures in the financial statements.</li> </ul> |

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- g) 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 provision of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 32 of the financial statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There are no amounts which were required to be transferred to the Investor and Protection Fund by the Company.
  - iv. (a) The Management has represented that, (Refer note no. 42 of the Financial Statements) 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, (Refer note no. 42 of the Financial Statements) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
  - 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 and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

**For M.Anandam & Co.,**

Chartered accountants

(Firm Registration No.000125S)

Sd/-

**B.V.Suresh Kumar**

Partner

Membership No.212187

UDIN: 26212187FNNULJ2102

**Place:** Hyderabad

**Date:** 6<sup>th</sup> May, 2026

## **Annexure "A" to the Independent Auditor's Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 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.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Inherent Limitations of Internal Financial Controls with reference to the financial statements**

Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with

reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to the financial statements**

A company's internal financial control with reference to the 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 control with reference to the 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.

For **M. Anandam & Co.**,  
Chartered accountants  
(Firm Registration No.000125S)

Sd/-

**B V Suresh Kumar**  
Partner  
Membership No.212187

UDIN: 26212187FNNULJ2102

**Place:** Hyderabad

**Date:** May 6, 2026



## **Annexure - B to the Independent Auditors' Report**

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company, we report that-

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
B. The Company does not have intangible assets and hence reporting under the clause 3(i)(b) is not applicable.
  - (b) The Property, Plant and Equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory.  
(b) The Company is sanctioned working capital limits in excess of Rs.5 Crore during the year from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company. Refer Note 40 (a) to the Financial Statements.
- (iii) During the year, the Company has not made investments, not provided loans or advances in the nature of loans or not stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the Order is not applicable.
- (iv) The Company has not granted loans, not made investments and not given guarantees or securities and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and based on our examination, the Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the cost records maintained by the Company as prescribed under subsection (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
  - (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services Tax, Customs duty, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and records of the Company examined by us, the particulars of Income tax as at March 31, 2026 which have not been deposited on account of any dispute pending are as under:



| Name of the statute  | Nature of the dues | Amount (Rs. in lakhs) | Amount paid under protest (Rs. In lakhs) | Period to which the amount relates | Forum where the dispute is pending   |
|----------------------|--------------------|-----------------------|------------------------------------------|------------------------------------|--------------------------------------|
| Income-tax Act, 1961 | Income tax         | 80.72                 | -                                        | AY 2019-20                         | Commissioner of Income tax (Appeals) |
| Income-tax Act, 1961 | Income tax         | 64.02                 | 12.81                                    | AY 2018-19                         | Commissioner of Income Tax (Appeals) |

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- (e) The Company does not have any Subsidiaries, Associates or Joint Ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order are not applicable.
- (x) (a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not engaged in any non-banking financial housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of the section 135 of the Companies Act, 2013 are not applicable to the Company and accordingly reporting under clause 3(xx)(a) and (b) of the Order are not applicable to the company.

For **M. Anandam & Co.**,  
Chartered accountants  
(Firm Registration No.000125S)

Sd/-

**B V Suresh Kumar**  
Partner  
Membership No.212187

UDIN: 26212187FNNULJ2102

**Place:** Hyderabad  
**Date:** May 6, 2026

**BALANCE SHEET AS AT MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

| Particulars                                                                               | Note        | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------------------------------------------|-------------|-------------------------|-------------------------|
| <b>I. ASSETS</b>                                                                          |             |                         |                         |
| <b>Non-current assets</b>                                                                 |             |                         |                         |
| (a) Property, Plant and Equipment                                                         | 2.1         | 15,948.78               | 17,013.24               |
| (b) Capital work-in-progress                                                              | 2.2         | 30,998.22               | 8,337.23                |
| (c) Right-of-use assets                                                                   | 2.3         | 24.76                   | 0.59                    |
| (d) Financial assets                                                                      |             |                         |                         |
| Other financial assets                                                                    | 3           | 73.27                   | 184.86                  |
| (e) Other non-current assets                                                              | 4           | 20,925.78               | 3,308.04                |
|                                                                                           |             | <b>67,970.81</b>        | <b>28,843.96</b>        |
| <b>Current assets</b>                                                                     |             |                         |                         |
| (a) Inventories                                                                           | 5           | 3,132.14                | 2,320.91                |
| (b) Financial assets                                                                      |             |                         |                         |
| (i) Trade receivables                                                                     | 6           | 5,123.53                | 3,203.65                |
| (ii) Cash and cash equivalents                                                            | 7           | 30.54                   | 11,040.17               |
| (iii) Bank balances other than (iii) above                                                | 8           | 12.10                   | 5.14                    |
| (iv) Other financial assets                                                               | 9           | 0.66                    | 7.98                    |
| (c) Current Tax Assets (Net)                                                              | 10          | -                       | 153.58                  |
| (d) Other current assets                                                                  | 11          | 5,532.05                | 1,548.70                |
|                                                                                           |             | <b>13,831.02</b>        | <b>18,280.14</b>        |
| <b>TOTAL ASSETS</b>                                                                       |             | <b>81,801.83</b>        | <b>47,124.10</b>        |
| <b>II. EQUITY AND LIABILITIES</b>                                                         |             |                         |                         |
| <b>Equity</b>                                                                             |             |                         |                         |
| (a) Equity share capital                                                                  | 12          | 4,000.00                | 4,000.00                |
| (b) Other equity                                                                          | 13          | 39,347.20               | 38,914.32               |
|                                                                                           |             | <b>43,347.20</b>        | <b>42,914.32</b>        |
| <b>Liabilities</b>                                                                        |             |                         |                         |
| <b>Non-current liabilities</b>                                                            |             |                         |                         |
| (a) Financial liabilities                                                                 |             |                         |                         |
| (i) Borrowings                                                                            | 14          | 8,048.86                | 151.52                  |
| (ii) Lease liabilities                                                                    | 2.4         | 17.79                   | -                       |
| (b) Provisions                                                                            | 15          | 23.14                   | 15.25                   |
| (c) Deferred tax liabilities (Net)                                                        | 16          | 2,167.35                | 2,127.81                |
|                                                                                           |             | <b>10,257.14</b>        | <b>2,294.58</b>         |
| <b>Current Liabilities</b>                                                                |             |                         |                         |
| (a) Financial liabilities                                                                 |             |                         |                         |
| (i) Borrowings                                                                            | 17          | 8,307.69                | 909.09                  |
| (ii) Lease liabilities                                                                    | 2.4         | 7.80                    | 0.65                    |
| (iii) Trade payables                                                                      |             |                         |                         |
| a) Total outstanding dues of micro enterprises and small enterprises                      | 18          | 174.96                  | 42.60                   |
| b) Total outstanding dues of creditors other than micro enterprises and small enterprises |             | 3,485.75                | 460.43                  |
| (iv) Other financial liabilities                                                          | 19          | 16,119.23               | 470.89                  |
| (b) Other current liabilities                                                             | 20          | 20.32                   | 11.81                   |
| (c) Provisions                                                                            | 21          | 24.67                   | 19.73                   |
| (d) Current tax liabilities (Net)                                                         | 22          | 57.07                   | -                       |
|                                                                                           |             | <b>28,197.49</b>        | <b>1,915.21</b>         |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                       |             | <b>81,801.83</b>        | <b>47,124.10</b>        |
| <b>Material accounting policies</b>                                                       | <b>1(C)</b> |                         |                         |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For M. Anandam & Co.,**

Chartered Accountants

(Firm Regn. No.000125S)

For and on behalf of Board of Directors

Sd/-  
**B V Suresh Kumar**  
Partner  
M.No. 212187

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**N. Rajeshwar Reddy**  
Managing Director  
DIN : 00003854

Place: Solapur  
Date: May 6, 2026

Sd/-  
**G. Hemanth Reddy**  
Wholetime Director  
DIN : 00003868

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**Abhijeet Kothadiya**  
Company Secretary  
M.No.A68288

Place: Solapur  
Date: May 6, 2026

Sd/-  
**PardeepSingh Watwani**  
Chief Financial Officer  
PAN: ABSPW1999F

Place: Solapur  
Date: May 6, 2026

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

| Particulars                                                       | Note        | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------------------------------|-------------|------------------------------|------------------------------|
| <b>I. Income</b>                                                  |             |                              |                              |
| Revenue from operations                                           | 23          | 15,241.43                    | 13,446.59                    |
| Other income                                                      | 24          | 242.03                       | 1,049.68                     |
| <b>Total income</b>                                               |             | <b>15,483.46</b>             | <b>14,496.27</b>             |
| <b>II. Expenses</b>                                               |             |                              |                              |
| Cost of materials consumed                                        | 25          | 8,733.39                     | 8,233.70                     |
| Changes in inventories of work-in-progress and finished goods     | 26          | 157.49                       | 291.85                       |
| Employee benefits expense                                         | 27          | 696.74                       | 690.10                       |
| Finance costs                                                     | 28          | 311.29                       | 184.63                       |
| Depreciation and amortisation expense                             | 29          | 1,084.40                     | 1,013.34                     |
| Other expenses                                                    | 30          | 3,919.51                     | 3,656.94                     |
| <b>Total expenses</b>                                             |             | <b>14,902.82</b>             | <b>14,070.56</b>             |
| <b>III. Profit before tax (I-II)</b>                              |             | <b>580.64</b>                | <b>425.71</b>                |
| <b>IV. Tax expense:</b>                                           |             |                              |                              |
| (1) Current tax                                                   | 31          | 105.40                       | 84.78                        |
| (2) Earlier years' tax                                            |             | 0.83                         | 4.88                         |
| (3) Deferred tax                                                  |             | 39.54                        | 97.72                        |
| <b>Total tax expense</b>                                          |             | <b>145.77</b>                | <b>187.38</b>                |
| <b>V. Profit for the year (III- IV)</b>                           |             | <b>434.87</b>                | <b>238.33</b>                |
| <b>VI. Other comprehensive income</b>                             |             |                              |                              |
| Items that will not be reclassified to profit or loss             |             |                              |                              |
| a) Re-measurement of defined benefit plans                        |             | (1.99)                       | 19.09                        |
| b) Income tax relating to item (a) above                          |             | -                            | -                            |
| <b>Other comprehensive income (net of tax)</b>                    |             | <b>(1.99)</b>                | <b>19.09</b>                 |
| <b>VII. Total comprehensive income for the year</b>               |             | <b>432.88</b>                | <b>257.42</b>                |
| <b>VIII. Earnings per equity share (Face value of Rs. 2 each)</b> | 32          |                              |                              |
| (1) Basic (in Rs.)                                                |             | 0.22                         | 0.12                         |
| (2) Diluted (in Rs.)                                              |             | 0.22                         | 0.12                         |
| <b>Material accounting policies</b>                               | <b>1(C)</b> |                              |                              |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn. No.000125S)

For and on behalf of Board of Directors

Sd/-  
**B V Suresh Kumar**  
Partner  
M.No. 212187

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**N. Rajeshwar Reddy**  
Managing Director  
DIN : 00003854

Place: Solapur  
Date: May 6, 2026

Sd/-  
**G. Hemanth Reddy**  
Wholetime Director  
DIN : 00003868

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**Abhijeet Kothadiya**  
Company Secretary  
M.No.A68288

Place: Solapur  
Date: May 6, 2026

Sd/-  
**PardeepSingh Watwani**  
Chief Financial Officer  
PAN: ABSPW1999F

Place: Solapur  
Date: May 6, 2026

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

| Particulars                                                            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Cash flow from operating activities:</b>                            |                              |                              |
| Profit before tax                                                      | 580.64                       | 425.71                       |
| <b>Adjustments for :</b>                                               |                              |                              |
| Depreciation and amortisation                                          | 1,084.40                     | 1,013.34                     |
| Interest on borrowings                                                 | 256.17                       | 126.41                       |
| Interest on lease liabilities                                          | 2.03                         | 0.56                         |
| Bad debts written off                                                  | -                            | 0.76                         |
| Interest income                                                        | (153.92)                     | (863.99)                     |
| <b>Operating cash flow before working capital changes</b>              | <b>1,769.32</b>              | <b>702.80</b>                |
| <b>Changes in operating assets and liabilities</b>                     |                              |                              |
| (Increase) / Decrease in inventories                                   | (811.23)                     | 104.98                       |
| (Increase) / Decrease in trade receivables                             | (1,919.88)                   | 2,614.11                     |
| (Increase) / Decrease in financial assets other than trade receivables | 104.64                       | 174.80                       |
| (Increase) / Decrease in other non-financial assets                    | (3,983.35)                   | 209.31                       |
| Increase / (Decrease) in trade payables                                | 3,157.67                     | (78.09)                      |
| Increase / (Decrease) in other financial liabilities                   | 15.38                        | (355.34)                     |
| Increase / (Decrease) in provisions                                    | 10.84                        | 32.07                        |
| Increase / (Decrease) in other non current financial liabilities       | 137.93                       | (97.72)                      |
| <b>Cash generated from operations</b>                                  | <b>(1,518.67)</b>            | <b>3,306.93</b>              |
| Direct taxes paid (net)                                                | (25.00)                      | (234.94)                     |
| <b>Net cash flow from/(used in) operating activities</b>               | <b>(1,543.67)</b>            | <b>3,071.99</b>              |
| <b>Cash flow from investing activities</b>                             |                              |                              |
| Purchase of property, plant and equipment                              | (13.41)                      | (617.25)                     |
| (Increase) / Decrease in capital work-in-progress                      | (22,660.99)                  | (2,219.71)                   |
| Proceeds from / (Investment in) Term deposits in current assets        | -                            | 8,138.94                     |
| (Increase) / Decrease in capital advances                              | (17,617.74)                  | (2,478.85)                   |
| Increase / (Decrease) in capital creditors                             | 15,576.37                    | 302.39                       |
| Interest received                                                      | 161.24                       | 862.68                       |
| <b>Net cash flow from/(used in) investing activities</b>               | <b>(24,554.53)</b>           | <b>3,988.20</b>              |
| <b>Cash flow from financing activities</b>                             |                              |                              |
| Proceeds from non-current borrowings                                   | 8,806.43                     | -                            |
| Repayment of non-current borrowings                                    | (909.09)                     | (909.09)                     |
| Proceeds/(Repayment) from current borrowings (Net)                     | 7,398.60                     | -                            |
| Interest paid                                                          | (199.58)                     | (133.16)                     |
| Payment for Interest on lease liabilities                              | (2.03)                       | (0.56)                       |
| Payment for principal component of lease liabilities                   | (5.77)                       | (7.24)                       |
| <b>Net cash flow from/(used in) financing activities</b>               | <b>15,088.57</b>             | <b>(1,050.05)</b>            |
| <b>Net increase/(decrease) in cash and cash equivalents</b>            | <b>(11,009.63)</b>           | <b>6,010.14</b>              |
| <b>Cash and Cash equivalents at the beginning of the year</b>          | <b>11,040.17</b>             | <b>5,030.03</b>              |
| <b>Cash and Cash equivalents at the end of the year</b>                | <b>30.54</b>                 | <b>11,040.17</b>             |

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in rupees in lakhs, except share data or otherwise stated)

| Particulars                                                                                      | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>                        |                              |                              |
| <b>Cash and Cash equivalents as per Balance Sheet - Refer Note 7 of the financial statements</b> |                              |                              |
| Balance with banks                                                                               |                              |                              |
| - in Current accounts                                                                            | 30.53                        | 42.31                        |
| - Debit balance in cash credit accounts                                                          | -                            | 935.96                       |
| Margin money deposit accounts                                                                    | -                            | 10,061.88                    |
| Cash on hand                                                                                     | 0.01                         | 0.02                         |
| <b>Cash and cash equivalents at the end of the year</b>                                          | <b>30.54</b>                 | <b>11,040.17</b>             |

Note : The above Statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

Material accounting policies - 1(C)

### Net debt reconciliation

| Particulars                                             | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------------|------------------------------|------------------------------|
| Opening balance of borrowings                           | 1,060.60                     | 1,969.70                     |
| Proceeds from non-current borrowings                    | 8,806.43                     | -                            |
| Repayment of non-current borrowings                     | (909.09)                     | (909.09)                     |
| Proceeds from / (Repayment of) current borrowings (Net) | 7,398.60                     | -                            |
| <b>Closing balance of borrowings</b>                    | <b>16,356.55</b>             | <b>1,060.61</b>              |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn. No.000125S)

On behalf of Board of Directors

Sd/-  
**B V Suresh Kumar**  
Partner  
M.No. 212187

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**N. Rajeshwar Reddy**  
Managing Director  
DIN : 00003854

Place: Solapur  
Date: May 6, 2026

Sd/-  
**G. Hemanth Reddy**  
Wholetime Director  
DIN : 00003868

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**Abhijeet Kothadiya**  
Company Secretary  
M.No.A68288

Place: Solapur  
Date: May 6, 2026

Sd/-  
**PardeepSingh Watwani**  
Chief Financial Officer  
PAN: ABSPW1999F

Place: Solapur  
Date: May 6, 2026



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

(All amounts are in rupees in lakhs, except share data or otherwise stated)

### I. Equity share capital

| Particulars                                                     | March 31, 2026  |
|-----------------------------------------------------------------|-----------------|
|                                                                 | Amount          |
| <b>Balance as at April 01, 2025</b>                             | <b>4,000.00</b> |
| Add: Changes in equity share capital due to prior period errors | -               |
| Changes in equity share capital during the year                 | -               |
| <b>Balance as at March 31, 2026</b>                             | <b>4,000.00</b> |

| Particulars                                                     | March 31, 2025  |
|-----------------------------------------------------------------|-----------------|
|                                                                 | Amount          |
| <b>Balance as at April 01, 2024</b>                             | <b>4,000.00</b> |
| Add: Changes in equity share capital due to prior period errors | -               |
| Changes in equity share capital during the year                 | -               |
| <b>Balance as at March 31, 2025</b>                             | <b>4,000.00</b> |

### II. Other equity

| Particulars                             | Reserves and Surplus |                   |                  |
|-----------------------------------------|----------------------|-------------------|------------------|
|                                         | Securities Premium   | Retained Earnings | Total            |
| <b>Balance as at April 1, 2025</b>      | <b>4,400.00</b>      | <b>34,514.32</b>  | <b>38,914.32</b> |
| Profit for the year                     | -                    | 434.87            | 434.87           |
| Other comprehensive income (net of tax) | -                    | (1.99)            | (1.99)           |
| <b>Balance as at March 31, 2026</b>     | <b>4,400.00</b>      | <b>34,947.20</b>  | <b>39,347.20</b> |
| <b>Balance as at April 1, 2024</b>      | <b>4,400.00</b>      | <b>34,256.89</b>  | <b>38,656.89</b> |
| Profit for the year                     | -                    | 238.33            | 238.34           |
| Other comprehensive income (net of tax) | -                    | 19.09             | 19.09            |
| <b>Balance as at March 31, 2025</b>     | <b>4,400.00</b>      | <b>34,514.32</b>  | <b>38,914.32</b> |

#### Notes:

Refer Note 13 for description of the nature and purpose of each reserve within other equity.

#### Material accounting policies-1 (C)

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn. No.000125S)

On behalf of Board of Directors

Sd/-  
**B V Suresh Kumar**  
Partner  
M.No. 212187  
Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**N. Rajeshwar Reddy**  
Managing Director  
DIN : 00003854  
Place: Solapur  
Date: May 6, 2026

Sd/-  
**G. Hemanth Reddy**  
Wholetime Director  
DIN : 00003868  
Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**Abhijeet Kothadiya**  
Company Secretary  
M.No.A68288  
Place: Solapur  
Date: May 6, 2026

Sd/-  
**PardeepSingh Watwani**  
Chief Financial Officer  
PAN: ABSPW1999F  
Place: Solapur  
Date: May 6, 2026

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026****1(A) Corporate information**

Balaji Speciality Chemicals Limited. 'the Company' (Formerly known as Balaji Speciality Chemicals Private Limited), is a Public Limited company incorporated in India under the provisions of the Companies Act, 2013. The Company's registered office is located at 2nd Floor, Balaji Towers, No.9/1A/1, Hotgi Road, Aasara Chowk, Solapur, Maharashtra - 413224. The Company is a subsidiary of Balaji Amines Limited. The Company is engaged in the manufacturing of speciality chemicals namely Ethylene Diamine (EDA), Diethylenetriamine (DETA), Aminoethyl ethanolamine (AEEA) and Aminoethyl Piperazine (AEP) etc.

**1(B) Basis of preparation and measurement****(i) Statement of compliance & Basis of preparation**

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act, 2013, ("Act") and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

**(ii) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian Rupees is rounded-off to nearest lakh with two decimals except share data or as otherwise stated.

**(iii) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Net defined benefit (asset)/ liability : Fair value of plan assets less present value of defined benefit obligations
- Borrowings : Amortised cost using effective interest rate method

**(iv) Use of estimates and judgements**

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment, impairment of property, plant and equipment, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**Assumptions and estimation uncertainties**

**Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:-**

- Determining an asset's (Property, plant and equipment) expected useful life and the expected residual value at the end of its life;
- Impairment of financial assets;
- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Recognition of tax expense including deferred tax

**Measurement of fair values**

Company accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 36 - Financial instruments.

**(v) Operating Cycle :**

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities in the Balance sheet.

**1(C) Material Accounting Policies**

**(i) Revenue recognition**

**(i) Revenue from contract with customers**

Revenue from the sale of goods is recognised when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control of goods is transferred to the customer, which is mainly upon delivery. Revenue is measured at transaction price that the company receives or expects to receive as consideration for goods supplied, net of returns, allowances, trade discounts and volume rebates as part of the contract and excludes amounts collected on behalf of third parties.

**(ii) Recognition of interest income**

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

**(ii) Property, plant and equipment (PPE)**

Property, plant and equipment acquired by the company are carried at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost for this purpose includes the purchase price (net of duties and taxes which are recoverable in future) and expenses directly attributable to the asset to bring it to the site and in the working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

can be measured reliably. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in the statement of profit and loss.

The catalyst is an asset that facilitates the process that increases the future economic benefits and output efficiency expected from the plant.

Land allotted by MIDC on long lease basis is treated as "Leasehold land" on the basis of possession from MIDC ("the Lessor"). The one-time lump sum premium paid at the time of allotment is amortized over the period of the 99 year lease.

**(iii) Capital work-in-progress**

Capital work-in-progress is carried at cost less impairment loss, if any. It comprises of property, plant and equipment that are not yet ready for their intended use at the reporting date.

**(iv) Expenditure during construction period**

Expenditure during construction period (including finance cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

**(v) Depreciation and amortisation**

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on the straight line method over the useful lives as prescribed in Schedule II to the Act.

The estimated useful lives of PPE of the company are as follows

|                                                           |          |
|-----------------------------------------------------------|----------|
| Buildings                                                 | 30 Years |
| Plant and Machinery (continuous process plant)            | 25 Years |
| Vessel/storage tanks                                      | 20 Years |
| Plant and Machinery (other than continuous process plant) | 15 Years |
| Furniture and fixtures                                    | 10 Years |
| Internal Roads                                            | 10 Years |
| Electric Equipment                                        | 10 Years |
| Electrically operated vehicles                            | 8 Years  |
| Office equipment                                          | 5 Years  |
| Computers                                                 | 3 Years  |

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. An asset's carrying amount written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on Leasehold improvements is provided over the lease period. Catalyst is depreciated on the actual production in a year.

**(vi) Government grants and subsidies**

The company may receive government grants that require compliance with certain conditions related to the company's operating activities (or) are provided to the company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received upon the company complying with the conditions attached to the grant. Accordingly, the government grants by way of financial assistance on the basis of certain qualifying criteria are recognised in the statement of profit and loss as they become receivable.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026****(vii) Leases****As a Lessee:**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- (1) The Contract involves the use of an identified asset;
- (2) The Company has substantially all the economic benefits from use of the asset through the period of the lease and
- (3) The Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are utilised.

**(viii) Employee benefits:****Short-term employee benefits**

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Long-term employee benefits****Defined benefit plan - Gratuity obligation**

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss. The gratuity liability is covered through a recognized Gratuity Fund managed by Life Insurance Corporation of India.

**Defined benefit plan-Other Long-term employee benefits**

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

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**Defined contribution plans**

Contributions to post employment benefit plans in the form of provident fund as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

**(ix) Tax expenses**

Accounting treatment in respect of deferred tax and current tax is in accordance with IndAS 12 - "Income Taxes".

Tax expense for the year comprises current and deferred 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 that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised 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 generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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. Deferred tax assets and liabilities 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.

Tax relating to items recognized directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they are related to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

**(x) Inventories**

Raw materials, packing materials, stores and spares, and other consumables are valued at cost or net realizable value, whichever is lower. Cost comprises of basic cost (net of GST, if any) and other costs incurred in bringing them to their



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

respective present location and condition. Cost is determined on weighted average cost.

Work-in-Progress and finished goods are valued at cost or net realizable value, whichever is lower. Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity.

**(xi) Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

**(xii) Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**(xiii) Impairment of Assets****(i) Impairment of financial instruments**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**(ii) Impairment of non-financial assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years

**(xiv) Earnings Per Share**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

**(xv) Financial instruments**

A financial instrument is any contract that gives rise to a Financial Asset of one entity and Financial liability or equity instrument of another entity.

**(i) Initial measurement and recognition**

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**(ii) Classification and subsequent measurement****Financial assets****Subsequent measurement**

For the purpose of subsequent measurement, financial assets are categorised as under:

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI-equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL : These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost : These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI : These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

**Financial Liabilities :**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

**Derecognition - Financial assets**

A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

**Derecognition - Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

**Financial Instruments Offsetting**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **(xvi) Provisions, Contingent liabilities and Contingent assets**

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realised.

### **(xvii) Standards/Amendments issued but not effective:**

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The company does not expect this amendment to have an impact on its operations or financial statements.

### **(xviii) Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments as the entire operations of the Company are domiciled in India.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in rupees in lakhs, except share data or otherwise stated)

### 2.1 (a) Property, Plant and Equipment

| Particulars                 | Gross carrying amount |              |           | Accumulated depreciation |                     |                 | Net carrying amount  |
|-----------------------------|-----------------------|--------------|-----------|--------------------------|---------------------|-----------------|----------------------|
|                             | As at April 1, 2025   | Additions    | Deletions | As at March 31, 2026     | As at April 1, 2025 | For the year    | As at March 31, 2026 |
| Freehold land               | 411.95                | -            | -         | 411.95                   | -                   | -               | 411.95               |
| Leasehold land *            | 93.00                 | -            | -         | 93.00                    | 6.07                | 1.02            | 85.91                |
| Leasehold land improvements | 81.98                 | -            | -         | 81.98                    | 22.11               | 6.02            | 53.85                |
| Buildings                   | 2,932.79              | -            | -         | 2,932.79                 | 528.43              | 92.88           | 2,311.47             |
| Plant and equipment         | 20,211.34             | 13.41        | -         | 20,224.76                | 6,169.05            | 976.00          | 13,079.71            |
| Furniture and fixtures      | 9.02                  | -            | -         | 9.02                     | 4.97                | 0.86            | 3.20                 |
| Office equipment            | 5.37                  | -            | -         | 5.37                     | 3.88                | 0.53            | 0.96                 |
| Computers                   | 6.94                  | -            | -         | 6.94                     | 5.95                | 0.41            | 0.58                 |
| Vehicles                    | 1.35                  | -            | -         | 1.35                     | 0.05                | 0.16            | 1.14                 |
| <b>TOTAL</b>                | <b>23,753.74</b>      | <b>13.41</b> | <b>-</b>  | <b>23,767.15</b>         | <b>6,740.51</b>     | <b>1,077.87</b> | <b>15,948.78</b>     |

### 2.1 (b) Property, Plant and Equipment

| Particulars                 | Gross carrying amount |               |           | Accumulated depreciation |                     |                 | Net carrying amount  |
|-----------------------------|-----------------------|---------------|-----------|--------------------------|---------------------|-----------------|----------------------|
|                             | As at April 1, 2024   | Additions     | Deletions | As at March 31, 2025     | As at April 1, 2024 | For the year    | As at March 31, 2025 |
| Freehold land               | 411.95                | -             | -         | 411.95                   | -                   | -               | 411.95               |
| Leasehold land*             | 93.00                 | -             | -         | 93.00                    | 5.00                | 1.07            | 86.93                |
| Leasehold land improvements | 56.09                 | 25.89         | -         | 81.98                    | 16.76               | 5.35            | 59.88                |
| Buildings                   | 2,880.57              | 52.22         | -         | 2,932.79                 | 437.05              | 91.38           | 2,404.36             |
| Plant and equipment         | 19,673.94             | 537.40        | -         | 20,211.34                | 5,262.48            | 906.57          | 14,042.29            |
| Furniture and fixtures      | 9.02                  | -             | -         | 9.02                     | 4.11                | 0.86            | 4.05                 |
| Office equipment            | 5.37                  | -             | -         | 5.37                     | 3.25                | 0.63            | 1.49                 |
| Computers                   | 6.56                  | 0.38          | -         | 6.94                     | 5.29                | 0.66            | 0.99                 |
| Vehicles                    | -                     | 1.35          | -         | 1.35                     | -                   | 0.05            | 1.30                 |
| <b>TOTAL</b>                | <b>23,136.50</b>      | <b>617.24</b> | <b>-</b>  | <b>23,753.74</b>         | <b>5,733.94</b>     | <b>1,006.57</b> | <b>17,013.24</b>     |

\* Leasehold land represents Right-of-Use assets. The land is taken for 99 years lease from Maharashtra Industrial Development Corporation (MIDC) on payment of upfront lease premium. The same is disclosed as per Ind AS 116 "Leases" and amortized over the period of lease.

### 2.2 (a) Capital work-in-progress

| Particulars              | As at March 31, 2026 |           |           | As at March 31, 2025 |           |           |
|--------------------------|----------------------|-----------|-----------|----------------------|-----------|-----------|
|                          | As at April 1, 2025  | Additions | Deletions | As at March 31, 2026 | Additions | Deletions |
| Capital work-in-progress | 8,337.23             | 22,674.40 | 13.41     | 30,998.22            | 6,117.52  | 617.25    |
|                          |                      |           |           |                      | 2,836.96  |           |
|                          |                      |           |           |                      |           | 8,337.23  |

### 2.2 (b) Capital work-in-progress ageing schedule

| Particulars                    | As at March 31, 2026           |           |           |                   |           |          |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-----------|----------|
|                                | Amount in CWIP for a period of |           |           |                   |           |          |
|                                | Less than 1 Year               | 1-2 Years | 2-3 Years | More than 3 years | Total     |          |
| Projects in progress           | 22,662.50                      | 2,386.67  | 5,949.05  | -                 | 30,998.22 |          |
| Projects temporarily suspended | -                              | -         | -         | -                 | -         |          |
|                                |                                |           |           |                   |           | 8,337.23 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**2.2 (c) Expenditure during construction period (included in Capital work-in-progress)**

| Particulars                                             | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------------------------|----------------------|----------------------|
| <b>Balance brought forward (A)</b>                      | <b>63.62</b>         | <b>17.70</b>         |
| <b>Expenditure incurred during the year</b>             |                      |                      |
| Employee benefit expenses                               | 47.51                | 3.74                 |
| Finance cost                                            | 180.20               | 1.92                 |
| Other expenses                                          | 78.91                | 40.26                |
| <b>Total expenditure during construction period (B)</b> | <b>306.62</b>        | <b>45.92</b>         |
| <b>Total (A+B)</b>                                      | <b>370.24</b>        | <b>63.62</b>         |

**2.3 Right-of-use assets**

The Company has lease contracts for its registered office building at Solapur and office space at Hyderabad used for its operations.

**Movement in Right of use assets is given below:**

| Particulars                        | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------|----------------------|----------------------|
| <b>Opening balance</b>             | <b>0.59</b>          | <b>7.36</b>          |
| Add: Additions during the year     | 30.70                | -                    |
| Less: Deletions during the year    | -                    | -                    |
| Less: Amortisation during the year | 6.53                 | 6.77                 |
| <b>Closing balance</b>             | <b>24.76</b>         | <b>0.59</b>          |

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

**2.4 Lease liabilities**

**(i) The following is the break-up of current and non-current lease liabilities :**

| Particulars                   | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------|----------------------|----------------------|
| Current lease liabilities     | 7.80                 | 0.65                 |
| Non-current lease liabilities | 17.79                | -                    |
| <b>Total</b>                  | <b>25.59</b>         | <b>0.65</b>          |

**(ii) Movement in Lease liabilities is given below :**

| Particulars                           | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------|----------------------|----------------------|
| Balance at the beginning of the year  | 0.65                 | 7.89                 |
| Additions during the year             | 30.70                | -                    |
| Finance costs accrued during the year | 2.03                 | 0.56                 |
| Deletions                             | -                    | -                    |
| Payment of lease liabilities          | 7.80                 | 7.80                 |
| <b>Balance at the end of the year</b> | <b>25.59</b>         | <b>0.65</b>          |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**(iii) Contractual maturities of lease liabilities on undiscounted basis**

| Particulars        | As at March 31, 2026 | As at March 31, 2025 |
|--------------------|----------------------|----------------------|
| Less than one year | 7.80                 | 0.70                 |
| One to five years  | 21.70                | -                    |
| <b>Total</b>       | <b>29.50</b>         | <b>0.70</b>          |

**3. Other financial assets (non-current)**

| Particulars                                            | As at March 31, 2026 | As at March 31, 2025 |
|--------------------------------------------------------|----------------------|----------------------|
| Margin money deposits against bank guarantee           | 48.83                | 16.47                |
| Security deposits with government companies and others | 24.44                | 168.39               |
| <b>Total</b>                                           | <b>73.27</b>         | <b>184.86</b>        |

**4. Other non-current assets**

| Particulars              | As at March 31, 2026 | As at March 31, 2025 |
|--------------------------|----------------------|----------------------|
| Capital advances         | 20,901.69            | 3,283.95             |
| Taxes paid under protest | 24.09                | 24.09                |
| <b>Total</b>             | <b>20,925.78</b>     | <b>3,308.04</b>      |

**5. Inventories**

| Particulars                                                                   | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------------------------------------------------|----------------------|----------------------|
| <b>(Valued at lower of cost and net realisable value)</b>                     |                      |                      |
| Raw materials (includes materials in transit of Rs.2,12,766 ; P.Y. Rs.39,693) | 1,380.48             | 478.45               |
| Work-in-progress                                                              | 141.55               | 89.57                |
| Finished goods                                                                | 1,196.79             | 1,406.26             |
| Stores and spares                                                             | 282.84               | 254.84               |
| Packing materials                                                             | 43.77                | 27.88                |
| Fuel and others                                                               | 86.71                | 63.91                |
| <b>Total</b>                                                                  | <b>3,132.14</b>      | <b>2,320.91</b>      |

5.1 For inventories secured against borrowings, refer note 17 of the financial statements.

5.2 During the year, the company has changed the cost basis for valuation of inventory from FIFO to Weighted average and the impact of the same on the profit is Rs. 52.62 Lakhs, since the impact is not material, disclosures as required under Ind AS 8 Accounting Policies, changes in Accounting estimates and errors are not given.

**6. Trade receivables**

| Particulars                 | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------|----------------------|----------------------|
| Unsecured, considered good* | 5,123.53             | 3,203.65             |
| <b>Total</b>                | <b>5,123.53</b>      | <b>3,203.65</b>      |

\* Includes amount receivable from related parties (refer note 33 (c)).

6.1 For Trade receivables secured against borrowings, refer note no. 17 to the financial statements.

6.2 For Company's exposure to the market risk and credit risk, refer note no. 36 to the financial statements.

6.3 Trade receivables are non-interest bearing and generally on credit term of 7 to 120 days.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**Trade receivables ageing schedule**
**As at March 31, 2026**

| Particulars                                                                        | Not Due         | Outstanding for following periods from due date of payment |                  |             |           |                   | Total           |
|------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------|------------------|-------------|-----------|-------------------|-----------------|
|                                                                                    |                 | Less than 6 months                                         | 6months - 1 year | 1-2 years   | 2-3 years | more than 3 years |                 |
| (i) Undisputed Trade receivables – considered good                                 | 4,250.08        | 866.02                                                     | -                | 7.44        | -         | -                 | 5,123.53        |
| (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                                  | -               | -                                                          | -                | -           | -         | -                 | -               |
| (vii) Expected credit loss rate                                                    | -               | -                                                          | -                | -           | -         | -                 | -               |
| (viii) Expected credit loss#                                                       | -               | -                                                          | -                | -           | -         | -                 | -               |
| <b>Total</b>                                                                       | <b>4,250.08</b> | <b>866.02</b>                                              | <b>-</b>         | <b>7.44</b> | <b>-</b>  | <b>-</b>          | <b>5,123.53</b> |

# The Company has not accounted for expected losses as it has no defaults in payments from the customers in the earlier years.

**Trade receivables ageing schedule**
**As at March 31, 2025**

| Particulars                                                                        | Not Due         | Outstanding for following periods from due date of payment |                  |           |           |                   | Total           |
|------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-----------------|
|                                                                                    |                 | Less than 6 months                                         | 6months - 1 year | 1-2 years | 2-3 years | more than 3 years |                 |
| (i) Undisputed Trade receivables – considered good                                 | 3,054.70        | 146.83                                                     | 2.12             | -         | -         | -                 | 3,203.65        |
| (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                                  | -               | -                                                          | -                | -         | -         | -                 | -               |
| (vii) Expected credit loss rate                                                    | -               | -                                                          | -                | -         | -         | -                 | -               |
| (viii) Expected credit loss #                                                      | -               | -                                                          | -                | -         | -         | -                 | -               |
| <b>Total</b>                                                                       | <b>3,054.70</b> | <b>146.83</b>                                              | <b>2.12</b>      | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>3,203.65</b> |

# The Company has not accounted for expected losses as it has no defaults in payments from the customers in the earlier years.

**7. Cash and cash equivalents**

| Particulars                             | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------|----------------------|----------------------|
| a) Balances with banks                  |                      |                      |
| - In Current accounts                   | 30.53                | 42.31                |
| - Debit balance in cash credit accounts | -                    | 935.96               |
| - In deposit accounts                   | -                    | 10,061.88            |
| b) Cash on hand                         | 0.01                 | 0.02                 |
| <b>Total</b>                            | <b>30.54</b>         | <b>11,040.17</b>     |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**8. Other bank balances**

| Particulars                          | As at March 31, 2026 | As at March 31, 2025 |
|--------------------------------------|----------------------|----------------------|
| <b>Earmarked balances with banks</b> |                      |                      |
| Margin money deposits                | 12.10                | 5.14                 |
| <b>Total</b>                         | <b>12.10</b>         | <b>5.14</b>          |

**9. Other financial assets (current)**

| Particulars                                     | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------------------|----------------------|----------------------|
| Interest accrued and due on deposits and others | 0.66                 | 7.98                 |
| <b>Total</b>                                    | <b>0.66</b>          | <b>7.98</b>          |

**10. Current Tax Assets (Net)**

| Particulars                                    | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------|----------------------|----------------------|
| Advance Tax and TDS (Net of provision for tax) | -                    | 153.58               |
| <b>Total</b>                                   | <b>-</b>             | <b>153.58</b>        |

**11. Other Current Assets**

| Particulars                      | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------|----------------------|----------------------|
| Prepaid expenses                 | 202.98               | 53.54                |
| Advances to suppliers            | 82.15                | 9.66                 |
| GST incentive                    | 1,212.90             | 1,156.59             |
| GST input tax credit and refunds | 4,034.02             | 328.92               |
| <b>Total</b>                     | <b>5,532.05</b>      | <b>1,548.70</b>      |

**12. Equity share capital**

| Particulars                                                                 | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------------------------------------|----------------------|----------------------|
| <b>AUTHORIZED</b>                                                           |                      |                      |
| 22,50,00,000 (P.Y. 22,50,00,000) equity shares of Rs. 2 each                | 4,500.00             | 4,500.00             |
| <b>Total</b>                                                                | <b>4,500.00</b>      | <b>4,500.00</b>      |
| <b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</b>                             |                      |                      |
| 20,00,00,000 (P.Y. 20,00,00,000) equity shares of Rs. 2 each, fully paid up | 4,000.00             | 4,000.00             |
| <b>Total</b>                                                                | <b>4,000.00</b>      | <b>4,000.00</b>      |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**(A) Movement in equity share capital :**

| Particulars                         | Number of shares    | Amount         |
|-------------------------------------|---------------------|----------------|
| <b>Balance as at April 1, 2024</b>  | <b>20,00,00,000</b> | <b>4000.00</b> |
| Movement during the year            | -                   | -              |
| <b>Balance as at March 31, 2025</b> | <b>20,00,00,000</b> | <b>4000.00</b> |
| Movement during the year            | -                   | -              |
| <b>Balance as at March 31, 2026</b> | <b>20,00,00,000</b> | <b>4000.00</b> |

**(B) Details of shareholders holding more than 5% shares in the company**

| Name of the shareholder | As at March 31, 2026 |           | As at March 31, 2025 |           |
|-------------------------|----------------------|-----------|----------------------|-----------|
|                         | No. of shares        | % holding | No. of shares        | % holding |
| Balaji Amines Limited   | 11,00,00,000         | 55.00%    | 11,00,00,000         | 55.00%    |
| Ande Srinivas Reddy     | 2,51,03,800          | 12.55%    | 2,50,93,300          | 12.55%    |
| Ande Prathap Reddy      | 1,31,29,000          | 6.56%     | 1,31,29,000          | 6.56%     |

**(C) Terms/Rights attached to equity shares**

The company has only one class of equity shares having a face value of Rs. 2 each (P.Y Rs. 2 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(D) Shareholding held by holding company**

| Particulars           | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------|----------------------|----------------------|
| <b>Equity Shares:</b> |                      |                      |
| Balaji Amines Limited | 11,00,00,000         | 11,00,00,000         |

**(E) (i) Shareholding of promoters As at March 31, 2026**

| Name of the promoter                    | No. of shares       | % of total shares | % of change during the year |
|-----------------------------------------|---------------------|-------------------|-----------------------------|
| Balaji Amines Limited - Holding company | 11,00,00,000        | 55.00%            | 0.00%                       |
| A Srinivas Reddy                        | 2,51,03,800         | 12.55%            | 0.04%                       |
| Ande Prathap Reddy                      | 1,31,29,000         | 6.56%             | 0.00%                       |
| D Ram Reddy                             | 62,78,300           | 3.14%             | 0.00%                       |
| N Rajeshwar Reddy                       | 57,55,400           | 2.88%             | 0.00%                       |
| G Hemanth Reddy                         | 44,73,595           | 2.24%             | 0.48%                       |
| <b>Total</b>                            | <b>16,47,40,095</b> | <b>82.37%</b>     |                             |

**(ii) Shareholding of promoters As at March 31, 2025**

| Name of the promoter                    | No. of shares       | % of total shares | % of change during the year |
|-----------------------------------------|---------------------|-------------------|-----------------------------|
| Balaji Amines Limited - Holding company | 11,00,00,000        | 55.00%            | 0.00%                       |
| A Srinivas Reddy                        | 2,50,93,300         | 12.55%            | 40.88%                      |
| Ande Prathap Reddy                      | 1,31,29,000         | 6.56%             | 0.00%                       |
| D Ram Reddy                             | 62,78,300           | 3.14%             | 0.14%                       |
| N Rajeshwar Reddy                       | 57,55,400           | 2.88%             | 0.00%                       |
| G Hemanth Reddy                         | 44,52,095           | 2.23%             | 0.00%                       |
| <b>Total</b>                            | <b>16,47,08,095</b> | <b>82.35%</b>     |                             |

**(F) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash or as fully paid up Bonus Shares during the period of five years immediately preceding March 31, 2026 : NIL**

**(G) Shares ressecured for issue under options and contracts or commitments for the sale of shares or disbursement : NIL**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**13. Other equity**

| Particulars                 | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------|----------------------|----------------------|
| <b>Reserves and surplus</b> |                      |                      |
| Securities premium          | 4,400.00             | 4,400.00             |
| Retained earnings           | 34,947.20            | 34,514.32            |
| <b>Total</b>                | <b>39,347.20</b>     | <b>38,914.32</b>     |

**Securities premium**

| Particulars                            | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------|----------------------|----------------------|
| Opening balance                        | 4,400.00             | 4,400.00             |
| Addition during the year               | -                    | -                    |
| Deduction / Adjustment during the year | -                    | -                    |
| <b>Closing balance</b>                 | <b>4,400.00</b>      | <b>4,400.00</b>      |

**Retained earnings**

| Particulars                                                                           | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------------------------------------------------------|----------------------|----------------------|
| Opening balance                                                                       | 34,514.32            | 34,256.89            |
| Add: Profit for the year                                                              | 434.87               | 238.34               |
| Add: Other comprehensive income - Remeasurement of defined benefit plans (net of tax) | (1.99)               | 19.09                |
| <b>Closing balance</b>                                                                | <b>34,947.20</b>     | <b>34,514.32</b>     |

**Nature and purpose of other reserves**
**(i) Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**(ii) Retained Earnings**

Retained earnings represents the cumulative profits of the Company and effects of re measurement of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**14. Borrowings**

| Particulars           | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------|----------------------|----------------------|
| <b>Non- current</b>   |                      |                      |
| a) Secured loans      |                      |                      |
| Term loans from banks | 6,483.35             | 151.52               |
| b) Unsecured loans    |                      |                      |
| Form Holding Company  | 1,565.51             | -                    |
| <b>Total</b>          | <b>8,048.86</b>      | <b>151.52</b>        |

**i) Term loans from banks:**

"The company has availed two term loans from HDFC Bank Limited. Loan 1 is repayable in 66 equal monthly installments starting from Dec, 2020. Loan 2 is repayable in 24 quarterly installments starting from Dec, 2026."

**ii) Security:**

Term loan 1 from HDFC Bank Ltd is secured by first charge on factory land and building located at E-8/1, MIDC, Chincholi, Solapur, Maharashtra and Second pari passu charge on entire current assets of the company present and future.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

Term loan 2 from HDFC Bank Ltd is secured by a first pari-passu charge on all present and future immovable properties, tangible movable assets, and the Debt Service Reserve Account (DSRA). It is further secured by a second charge on all present and future current assets and receivables. Additionally, the facility is backed by a pledge of the Promoter(s) shares in the Sponsor (up to 1.5x of the facility amount) and the personal guarantee of the Promoter(s).

**iii) Repayment schedule:**

| Financial Year | Loan 1 - HDFC<br>ROI 6.77% p.a. | Loan 2 - HDFC<br>ROI 7.80% p.a. | Loan from<br>Holding Company<br>ROI 7.80% p.a. | Total            |
|----------------|---------------------------------|---------------------------------|------------------------------------------------|------------------|
| 2026-27        | 151.52                          | 1,875.00                        | 1,500.00                                       | 3,526.52         |
| 2027-28        | -                               | 3,750.00                        | 3,000.00                                       | 6,750.00         |
| 2028-29        | -                               | 4,062.50                        | 3,250.00                                       | 7,312.50         |
| 2029-30        | -                               | 4,375.00                        | 3,500.00                                       | 7,875.00         |
| 2030-31        | -                               | 4,375.00                        | 3,500.00                                       | 7,875.00         |
| 2031-32        | -                               | 4,375.00                        | 3,500.00                                       | 7,875.00         |
| 2032-33        | -                               | 2,187.50                        | 1,750.00                                       | 3,937.50         |
| <b>Total</b>   | <b>151.52</b>                   | <b>25000.00</b>                 | <b>20,000.00</b>                               | <b>45,151.52</b> |

iv) Unsecured loan taken from the Holding Company is repayable in 24 quarterly installments starting from Dec, 2026.

**15. Provisions (non-current)**

| Particulars                            | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------|----------------------|----------------------|
| <b>Provision for employee benefits</b> |                      |                      |
| Leave encashment                       | 23.14                | 15.25                |
| <b>Total</b>                           | <b>23.14</b>         | <b>15.25</b>         |

**16. Deferred tax liabilities (Net)**

| Particulars                           | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------|----------------------|----------------------|
| (i) Deferred tax liabilities          | 2,195.13             | 2,133.82             |
| (ii) Deferred tax asset               | (27.78)              | (6.01)               |
| <b>Deferred tax liabilities (Net)</b> | <b>2,167.35</b>      | <b>2,127.81</b>      |

**Movement in deferred tax liabilities (Net)**

| Deferred tax liabilities/assets in relation to:                            | Opening<br>Balance | Recognised<br>in P&L | Recognised<br>in OCI | Closing<br>Balance |
|----------------------------------------------------------------------------|--------------------|----------------------|----------------------|--------------------|
| <b>FY 2025-26</b>                                                          |                    |                      |                      |                    |
| On fiscal allowances on property, plant and equipment, investment property | 2,133.82           | 55.08                | -                    | 2,188.90           |
| Other timing differences                                                   | -                  | 6.23                 | -                    | 6.23               |
| <b>Total deferred tax liabilities</b>                                      | <b>2,133.82</b>    | <b>61.31</b>         | -                    | <b>2,195.13</b>    |
| On employees' separation and retirement etc.                               | (6.01)             | (15.32)              | -                    | (21.34)            |
| Other timing differences                                                   | -                  | (6.44)               | -                    | (6.44)             |
| <b>Total deferred tax assets</b>                                           | <b>(6.01)</b>      | <b>(21.77)</b>       | -                    | <b>(27.78)</b>     |
| <b>Deferred tax liabilities (Net) as at March 31, 2026</b>                 | <b>2,127.81</b>    | <b>39.54</b>         | -                    | <b>2,167.35</b>    |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

|                                                                            |                 |                |   |                 |
|----------------------------------------------------------------------------|-----------------|----------------|---|-----------------|
| <b>FY 2024-25</b>                                                          |                 |                |   |                 |
| On fiscal allowances on property, plant and equipment, investment property | 2,019.52        | 114.30         | - | 2,133.82        |
| <b>Total deferred tax liabilities</b>                                      | <b>2,019.52</b> | <b>114.30</b>  | - | <b>2,133.82</b> |
| On employees' separation and retirement etc.                               | 10.58           | (16.59)        | - | (6.01)          |
| <b>Total deferred tax assets</b>                                           | <b>10.58</b>    | <b>(16.59)</b> | - | <b>(6.01)</b>   |
| <b>Deferred tax liabilities (Net) as at March 31, 2025</b>                 | <b>2,030.10</b> | <b>97.71</b>   | - | <b>2,127.81</b> |

**17. Borrowings**

| Particulars                                                 | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------------------------------|----------------------|----------------------|
| <b>Secured</b>                                              |                      |                      |
| <b>Repayable on demand</b>                                  |                      |                      |
| Working capital loans from banks                            | 4,781.18             | -                    |
| <b>Current maturities of long-term debt (Refer Note 14)</b> |                      |                      |
| <b>Secured</b>                                              |                      |                      |
| From banks - Secured                                        | 2,026.51             | 909.09               |
| <b>Unsecured</b>                                            |                      |                      |
| From holding company - unsecured                            | 1,500.00             | -                    |
| <b>Total</b>                                                | <b>8,307.69</b>      | <b>909.09</b>        |

The cash credit facilities/working capital loans which are obtained from HDFC Bank Ltd and SBI, are secured by hypothecation of stocks of raw materials, stock in process, finished goods, spares and book debts and second charge on property, plant and equipment. The above loans carry interest rate ranging from 7.65%p.a to 9.95%p.a.

**18. Trade payables**

| Particulars                                                           | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------------------------------|----------------------|----------------------|
| Dues to micro enterprises and small enterprises                       | 174.96               | 42.60                |
| Dues to creditors other than micro enterprises and small enterprises* | 3,485.75             | 460.43               |
| <b>Total</b>                                                          | <b>3,660.71</b>      | <b>503.03</b>        |

\*Includes amounts payable to related parties (refer note 33)

**18.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

| Particulars                                                                                                                                                                                                                                                                       | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of accounting year                                                                                                                                                                  |                      |                      |
| Principal amount                                                                                                                                                                                                                                                                  | 174.96               | 42.60                |
| Interest due                                                                                                                                                                                                                                                                      | -                    | -                    |
| ii) Amount of interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year                                                                                                   | -                    | -                    |
| iii) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.                                                         | -                    | -                    |
| iv) Amount of interest accrued and remaining unpaid at the end of accounting year                                                                                                                                                                                                 | -                    | -                    |
| v) Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006. | -                    | -                    |

Note: Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**Trade payables aging schedule as at March 31, 2026**

| Particulars                 | Not Due         | Outstanding for following periods from due date of payment |             |             |                   | Unbilled     | Total          |
|-----------------------------|-----------------|------------------------------------------------------------|-------------|-------------|-------------------|--------------|----------------|
|                             |                 | Less than 1 Yer                                            | 1-2 years   | 2-3 years   | more than 3 years |              |                |
| (i) MSME*                   | 163.53          | -                                                          | -           | -           | -                 | 11.43        | 174.96         |
| (ii) Others                 | 3,369.06        | 83.67                                                      | 0.57        | 0.22        | -                 | 32.23        | 3,485.75       |
| (iii) Disputed Dues - MSME  | -               | -                                                          | -           | -           | -                 | -            | -              |
| (iv) Disputed Dues - Others | -               | -                                                          | -           | -           | -                 | -            | -              |
| <b>Total</b>                | <b>3,532.59</b> | <b>83.67</b>                                               | <b>0.57</b> | <b>0.22</b> | <b>-</b>          | <b>43.66</b> | <b>3660.71</b> |

**Trade payables aging schedule as at March 31, 2025**

| Particulars                 | Not Due       | Outstanding for following periods from due date of payment |             |             |                   | Unbilled     | Total         |
|-----------------------------|---------------|------------------------------------------------------------|-------------|-------------|-------------------|--------------|---------------|
|                             |               | Less than 1 Yer                                            | 1-2 years   | 2-3 years   | more than 3 years |              |               |
| (i) MSME*                   | 31.17         | -                                                          | -           | -           | -                 | 11.43        | 42.60         |
| (ii) Others                 | 395.28        | 20.50                                                      | 0.32        | 0.03        | -                 | 44.30        | 460.43        |
| (iii) Disputed Dues - MSME  | -             | -                                                          | -           | -           | -                 | -            | -             |
| (iv) Disputed Dues - Others | -             | -                                                          | -           | -           | -                 | -            | -             |
| <b>Total</b>                | <b>426.45</b> | <b>20.50</b>                                               | <b>0.32</b> | <b>0.03</b> | <b>-</b>          | <b>55.73</b> | <b>503.03</b> |

**19. Other financial liabilities (current)**

| Particulars                                | As at March 31, 2026 | As at March 31, 2025 |
|--------------------------------------------|----------------------|----------------------|
| Interest accrued but not due on term loans | 64.27                | 7.68                 |
| Employee benefits payable                  | 76.54                | 61.12                |
| Other recoveries payable                   | 3.85                 | 2.84                 |
| Security deposits                          | -                    | 1.05                 |
| Creditors for capital goods                | 15,974.57            | 398.20               |
| <b>Total</b>                               | <b>16,119.23</b>     | <b>470.89</b>        |

**20. Other current liabilities**

| Particulars             | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------|----------------------|----------------------|
| Advances from customers | 5.92                 | 0.13                 |
| Statutory liabilities   | 14.40                | 11.68                |
| <b>Total</b>            | <b>20.32</b>         | <b>11.81</b>         |

**21. Provisions (current)**

| Particulars                            | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------|----------------------|----------------------|
| <b>Provision for employee benefits</b> |                      |                      |
| Leave encashment                       | 24.67                | 19.73                |
| <b>Total</b>                           | <b>24.67</b>         | <b>19.73</b>         |

**22 Current tax liabilities (Net)**

| Particulars                                    | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------|----------------------|----------------------|
| Provision for tax (Net of advance tax and TDS) | 57.07                | -                    |
| <b>Total</b>                                   | <b>57.07</b>         | <b>-</b>             |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**23. Revenue from operations**

| Particulars                                       | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------|------------------------------|------------------------------|
| <b>Sale of products</b>                           |                              |                              |
| Sales of Speciality chemicals                     | 14,499.21                    | 13,051.07                    |
| <b>Other operating revenues</b>                   |                              |                              |
| Scrap sales                                       | 0.30                         | 6.47                         |
| Incentive from government - Goods and Service Tax | 718.48                       | 386.99                       |
| Export incentives and Refunds                     | 23.44                        | 2.06                         |
| <b>Total</b>                                      | <b>15,241.43</b>             | <b>13,446.59</b>             |

**24. Other income**

| Particulars                                                   | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------------------|------------------------------|------------------------------|
| Interest income on bank deposits and others at amortised cost | 153.92                       | 863.99                       |
| Foreign exchange gain (net)                                   | 79.47                        | 185.59                       |
| Interest on income tax refund                                 | 8.41                         | -                            |
| Miscellaneous income                                          | 0.23                         | 0.10                         |
| <b>Total</b>                                                  | <b>242.03</b>                | <b>1049.68</b>               |

**25. Cost of materials consumed**

| Particulars          | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------|------------------------------|------------------------------|
| <b>Opening stock</b> | 478.05                       | 175.36                       |
| Add: Purchases       | 9,633.69                     | 8,536.39                     |
| Less: Closing stock  | 1,378.35                     | 478.05                       |
| <b>Total</b>         | <b>8,733.39</b>              | <b>8,233.70</b>              |

**26. Changes in inventories of work-in-progress and finished goods**

| Particulars                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------|------------------------------|------------------------------|
| <b>Opening inventories</b> |                              |                              |
| Finished goods             | 1,406.26                     | 1,556.39                     |
| Work-in-progress           | 89.57                        | 231.30                       |
| <b>(A)</b>                 | <b>1,495.83</b>              | <b>1,787.69</b>              |
| <b>Closing inventories</b> |                              |                              |
| Finished goods             | 1,196.79                     | 1,406.26                     |
| Work-in-progress           | 141.55                       | 89.57                        |
| <b>(B)</b>                 | <b>1,338.34</b>              | <b>1,495.84</b>              |
| <b>Total (A-B)</b>         | <b>157.49</b>                | <b>291.85</b>                |

**27. Employee benefits expense**

| Particulars                               | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------|------------------------------|------------------------------|
| Salaries, wages and bonus                 | 589.02                       | 549.05                       |
| Contribution to provident and other funds | 65.16                        | 94.30                        |
| Staff welfare expenses                    | 18.14                        | 13.04                        |
| Leave encashment expense                  | 24.42                        | 33.71                        |
| <b>Total</b>                              | <b>696.74</b>                | <b>690.10</b>                |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**28. Finance costs**

| Particulars                                     | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------------|------------------------------|------------------------------|
| Interest on borrowings                          | 256.17                       | 126.41                       |
| Interest on lease liabilities                   | 2.03                         | 0.56                         |
| Interest on shortfall in payment of advance tax | 6.06                         | 0.94                         |
| Other borrowing costs                           | 47.03                        | 56.72                        |
| <b>Total</b>                                    | <b>311.29</b>                | <b>184.63</b>                |

**29. Depreciation and amortization expense**

| Particulars                                   | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------------------------|------------------------------|------------------------------|
| Depreciation on property, plant and equipment | 1,077.87                     | 1,006.57                     |
| Amortisation of Right-of-use assets           | 6.53                         | 6.77                         |
| <b>Total</b>                                  | <b>1,084.40</b>              | <b>1,013.34</b>              |

**30. Other expenses**

| Particulars                                                        | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Consumption of stores and spares                                   | 220.94                       | 159.92                       |
| Consumption of packing material                                    | 110.00                       | 148.11                       |
| Power and fuel                                                     | 3,114.78                     | 2,413.88                     |
| Freight Outward                                                    | 70.28                        | 125.38                       |
| Effluent treatment expenses                                        | 1.94                         | 44.88                        |
| Travelling and conveyance                                          | 8.97                         | 18.18                        |
| <b>Repairs and Maintenance</b>                                     |                              |                              |
| Buildings                                                          | 4.49                         | 4.85                         |
| Plant and Equipment                                                | 74.77                        | 141.90                       |
| Others                                                             | 0.05                         | 0.28                         |
| Software system expenses                                           | 18.39                        | -                            |
| Printing and stationery                                            | 2.34                         | 2.19                         |
| Communication expenses                                             | 2.35                         | 2.01                         |
| Legal and professional charges                                     | 20.97                        | 30.55                        |
| Directors sitting fees                                             | 0.98                         | 1.15                         |
| Insurance                                                          | 99.07                        | 95.58                        |
| Auditor's remuneration (Refer note 30 (a))                         | 17.37                        | 18.02                        |
| Rates and taxes                                                    | 19.17                        | 11.53                        |
| Commission and discount                                            | 107.60                       | 88.23                        |
| Sales promotion and other selling expenses                         | 2.01                         | 13.42                        |
| Expenditure on Corporate social responsibility (Refer note 30 (b)) | -                            | 324.71                       |
| GST paid                                                           | 20.04                        | -                            |
| Bad debts written off                                              | -                            | 0.76                         |
| Miscellaneous expenses                                             | 3.00                         | 11.42                        |
| <b>Total</b>                                                       | <b>3,919.51</b>              | <b>3,656.94</b>              |

**30 (a) Auditors' remuneration**

| Particulars            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------|------------------------------|------------------------------|
| Statutory audit        | 8.50                         | 8.50                         |
| Limited review         | 2.00                         | 2.00                         |
| Tax audit              | 3.70                         | 3.70                         |
| Out of pocket expenses | 3.17                         | 3.82                         |
| <b>Total</b>           | <b>17.37</b>                 | <b>18.02</b>                 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**30 (b) Expenditure on corporate social responsibility**

| Particulars                                                                             | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025                                                  |
|-----------------------------------------------------------------------------------------|------------------------------|-------------------------------------------------------------------------------|
| a) Amount required to be spent as per Section 135 of the Act                            | -                            | 324.18                                                                        |
| b) Amount of expenditure incurred on:                                                   | -                            | 324.71                                                                        |
| i) Construction/ acquisition of any assets                                              | -                            | 89.99                                                                         |
| ii) On purposes other than (I) above                                                    | -                            | 234.72                                                                        |
| <b>Subtotal :</b>                                                                       | -                            | <b>324.71</b>                                                                 |
| c) Shortfall / (excess) at the end of the year                                          | -                            | (0.53)                                                                        |
| d) Total of previous years' shortfall                                                   | -                            | -                                                                             |
| e) Reason for shortfall                                                                 |                              | NA                                                                            |
| f) Nature of CSR activities under Sec 135 read with Schedule VII of Companies Act, 2013 |                              | Promoting sports,<br>Promoting education,<br>Rural development,<br>Healthcare |
| Contribution to an enterprise where KMP has Significance Influence/ Control             | -                            | -                                                                             |

**31. Tax expense**

| Particulars                                                                    | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>(a) Amount recognised in statement of profit and loss</b>                   | 580.66                       | 425.71                       |
| Current tax                                                                    | 105.40                       | 84.78                        |
| Earlier years' tax                                                             | 0.83                         | 4.88                         |
| Deferred tax                                                                   | 39.54                        | 97.72                        |
| <b>Total tax expense</b>                                                       | <b>145.77</b>                | <b>187.38</b>                |
| <b>(b) Amount recognised in other comprehensive income</b>                     |                              |                              |
| <b>Deferred tax related to items recognised in OCI</b>                         |                              |                              |
| Deferred tax expense/(income) on remeasurements of defined benefit obligations | -                            | -                            |
| Income-tax expense/(income) recognised in OCI                                  | -                            | -                            |
| <b>(c) Reconciliation of effective tax rate:</b>                               |                              |                              |
| <b>Profit before tax</b>                                                       | <b>580.64</b>                | <b>425.71</b>                |
| Enacted tax rate in India                                                      | 25.168%                      | 25.168%                      |
| <b>Tax expense at enacted rates</b>                                            | <b>146.14</b>                | <b>107.14</b>                |
| Effect of non-deductible expense                                               | 290.45                       | 353.07                       |
| Effect of allowances for tax purpose                                           | (331.18)                     | (375.44)                     |
| <b>Tax as per the financial statements</b>                                     | <b>105.40</b>                | <b>84.78</b>                 |
| Effect of deferred tax                                                         | 39.54                        | 97.72                        |
| Effect of earlier years' tax                                                   | 0.83                         | 4.88                         |
| <b>Income-tax recognised in the statement of profit and loss</b>               | <b>145.77</b>                | <b>187.38</b>                |

**32. Earnings per share**

| Particulars                                                          | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------------------------------|------------------------------|------------------------------|
| Profit for the year                                                  | 434.87                       | 238.33                       |
| Number of shares outstanding at the end of the year                  | 20,00,00,000                 | 20,00,00,000                 |
| Weighted average number of equity shares outstanding during the year | 20,00,00,000                 | 20,00,00,000                 |
| Basic and Diluted earnings per share (in Rs.)                        | 0.22                         | 0.12                         |
| Face value per share (in Rs.)                                        | 2.00                         | 2.00                         |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**32. Contingent Liabilities and Commitments**
**(a) Contingent liabilities**

| Particulars                                                 | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------------------------------|----------------------|----------------------|
| <b>Claims against the Company not acknowledged as debts</b> |                      |                      |
| Income tax                                                  | 144.74               | 148.46               |
| <b>Total</b>                                                | <b>144.74</b>        | <b>148.46</b>        |

**Notes:**

- The above claims pertain to Income Tax - TDS on payments made to foreign companies / Non-residents in the FY 2017-18 & 2018-19. The Company has filed appeals with CIT(Appeals) of Income Tax and the same are pending for disposal. The Company has paid an amount of Rs. 12.81 Lakhs under protest.
- The company based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

**(b) Capital and other commitments**

| Particulars                                                                                    | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 11,317.90            | 19,771.03            |
| Other commitments                                                                              | -                    | -                    |
| <b>Total</b>                                                                                   | <b>11,317.90</b>     | <b>19,771.03</b>     |

**33. Related party disclosures**
**(a) Name of the related party**
**Description of the relationship**

Balaji Amines Limited

Holding Company

**Key management personnel (KMP)**

Ande Prathap Reddy

Wholetime Director

N Rajeshwar Reddy

Managing Director

G Hemanth Reddy

Wholetime Director

Rajendrakumar Mohanprasad Tapadiya

Independent Director

Amarender Reddy Minupuri

Independent Director

Suhasini Shah

Independent Director

PardeepSingh RameshSingh Watwani

Chief Financial Officer

Abhijeet S. Kothadiya

Company Secretary

Balaji Foundation &amp; Research Center

Enterprise where KMP has Significance Influence/ Control

SVS Sourcings Private Limited

Enterprise where KMP has Significance Influence/ Control

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

(All amounts are in rupees in lakhs, except share data or otherwise stated)

**(b) Transactions with related parties during the year**

| Particulars                         | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------|------------------------------|------------------------------|
| <b>Holding company</b>              |                              |                              |
| <b>Balaji Amines Limited</b>        |                              |                              |
| Purchase of goods & services        | 231.11                       | 100.38                       |
| Sale of goods & services            | 1,666.71                     | 997.01                       |
| Lease payments                      | 7.80                         | 7.80                         |
| Interest paid                       | 72.79                        | -                            |
| Loan taken                          | 3,000.00                     | -                            |
| <b>Key Management Personnel</b>     |                              |                              |
| <b>Short term employee benefits</b> |                              |                              |
| <b>Remuneration</b>                 |                              |                              |
| G Hemanth Reddy                     | 62.75                        | 61.25                        |
| PardeepSingh RameshSingh Watwani    | 18.58                        | 18.80                        |
| <b>Sitting Fee</b>                  |                              |                              |
| Rajendrakumar Mohanprasad Tapadiya  | 0.40                         | 0.45                         |
| Minupuri Amarender Reddy            | 0.38                         | 0.35                         |
| Shah Suhasini                       | 0.20                         | 0.35                         |
| <b>Post employment benefits</b>     |                              |                              |
| G Hemanth Reddy                     | 0.09                         | 0.44                         |

**(c) Outstanding balances as at the year end where related party relationship existed**

| Particulars                            | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------|----------------------|----------------------|
| <b>Balaji Amines Limited</b>           |                      |                      |
| Loan                                   | 3066.00              | -                    |
| Trade receivables*                     | 177.31               | 228.09               |
| Trade payables *                       | 25.57                | -                    |
| <b>Key Management Personnel</b>        |                      |                      |
| Short term employee benefits payable** | -                    | -                    |
| Post employment benefits payable**     | -                    | 2.37                 |

\* Trade receivables & payables would be settled within 15 days.

\*\* Short-term employee benefits to be settled in cash with no credit period. Post employment benefits to be settled in cash at the time of retirement.

**34. Employee benefits plans**
**(a) Leave obligations**

The leave obligation covers the company's liability for earned leave which is unfunded.

**(b) Defined contribution plans**

The company has defined contribution plans namely provident fund. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows:

| Particulars                              | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------|------------------------------|------------------------------|
| Company's contribution to provident fund | 38.51                        | 36.99                        |

**(c) Defined benefit plan - Gratuity**

The company provides for gratuity for employees as per the Code on Social Security, 2020. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

| Particulars                                                                            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Change in defined benefit obligations:</b>                                          |                              |                              |
| Obligation at the beginning of the year                                                | 89.89                        | 66.80                        |
| Current service costs                                                                  | 23.37                        | 21.06                        |
| Past service costs                                                                     | -                            | -                            |
| Interest costs                                                                         | 6.15                         | 4.73                         |
| Benefits paid                                                                          | (3.44)                       | (2.66)                       |
| Increase / (Decrease) due to effect of any business combination / divesture / transfer | (1.50)                       | 16.71                        |
| Remeasurements - Due to Demographic Assumptions                                        | 0.30                         | 0.27                         |
| Remeasurements - Due to Financial Assumptions                                          | (11.24)                      | 2.84                         |
| Remeasurements - Due to Experience Adjustments                                         | 15.24                        | (19.85)                      |
| Obligation at the end of the year                                                      | <b>118.79</b>                | <b>89.89</b>                 |
| <b>Change in plan assets:</b>                                                          |                              |                              |
| Fair value of plan assets at the beginning of the year                                 | 128.67                       | 73.55                        |
| Interest income                                                                        | 8.86                         | 6.20                         |
| Employer's contributions                                                               | -                            | 27.23                        |
| Benefits paid                                                                          | (3.44)                       | (2.66)                       |
| Adjustment to the Opening Balance                                                      | -                            | 5.29                         |
| Increase / (Decrease) due to effect of any business combination / divesture / transfer | (1.50)                       | 16.71                        |
| Remeasurement (gains)/losses                                                           | 2.32                         | 2.36                         |
| Fair value of plan assets at the end of the year                                       | <b>134.92</b>                | <b>128.67</b>                |
| <b>Expenses recognised in the statement of profit and loss consists of:</b>            |                              |                              |
| Employee benefits expense:                                                             |                              |                              |
| Current service costs                                                                  | 23.37                        | 21.06                        |
| Past service costs                                                                     | -                            | -                            |
| Net interest expenses                                                                  | (2.71)                       | (1.47)                       |
|                                                                                        | <b>20.66</b>                 | <b>19.59</b>                 |
| <b>Other comprehensive income:</b>                                                     |                              |                              |
| (Gain)/loss on plan assets                                                             |                              |                              |
| Remeasurements - Due to Demographic Assumptions                                        | 0.30                         | 0.27                         |
| Remeasurements - Due to Financial Assumptions                                          | (11.24)                      | 2.84                         |
| Remeasurements - Due to Experience Adjustments                                         | 15.24                        | (19.85)                      |
| (Return) on Plan Assets (Excluding Interest Income)                                    | (2.32)                       | (2.36)                       |
| <b>Total OCI</b>                                                                       | <b>1.99</b>                  | <b>(19.09)</b>               |
| <b>Expenses recognised in the statement of profit and loss</b>                         | <b>22.65</b>                 | <b>0.49</b>                  |
| <b>Amounts recognised in the balance sheet consist of</b>                              |                              |                              |
| Fair value of plan assets at the end of the year                                       | 134.92                       | 128.67                       |
| Present value of obligation at the end of the year                                     | 118.79                       | 89.89                        |
| Recognised as:                                                                         |                              |                              |
| <b>Retirement benefit liability - Non-current</b>                                      | <b>109.30</b>                | <b>85.98</b>                 |
| <b>Retirement benefit liability - Current</b>                                          | <b>9.49</b>                  | <b>3.91</b>                  |

Fair value of plan assets - 100% with LIC of India

Expected contribution to post-employment benefit plan of gratuity for the year ending March 31, 2027 is Rs. 49.06 lakhs.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

(All amounts are in rupees in lakhs, except share data or otherwise stated)

**d) Significant estimates and sensitivity analysis**

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

| Particulars        | Key assumptions | Defined benefit obligation |               |                           |               |
|--------------------|-----------------|----------------------------|---------------|---------------------------|---------------|
|                    |                 | Increase in assumption by  |               | Decrease in assumption by |               |
|                    | March 31,2026   | Rate                       | March 31,2026 | Rate                      | March 31,2026 |
| Discount rate      | 7.73%           | 1%                         | (14.01)       | 1%                        | 14.14         |
| Salary growth rate | 7.00%           | 1%                         | 14.39         | 1%                        | (14.44)       |
| Mortality Rate     | 100.00%         | 10%                        | (1.18)        | 10%                       | (1.21)        |
| Attrition rate     | 3.90%           | 1%                         | (0.68)        | 1%                        | (1.84)        |

| Particulars        | Key assumptions | Defined benefit obligation |               |                           |               |
|--------------------|-----------------|----------------------------|---------------|---------------------------|---------------|
|                    |                 | Increase in assumption by  |               | Decrease in assumption by |               |
|                    | March 31,2025   | Rate                       | March 31,2025 | Rate                      | March 31,2025 |
| Discount rate      | 6.98%           | 1%                         | (11.12)       | 1%                        | 13.50         |
| Salary growth rate | 7.00%           | 1%                         | 13.58         | 1%                        | (11.38)       |
| Mortality Rate     | 100.00%         | 10%                        | -             | 10%                       | -             |
| Attrition rate     | 3.40%           | 1%                         | (0.46)        | 1%                        | 0.47          |

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

**Risk exposure**

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

**Interest rate risk :**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary inflation risk:**

Higher than expected increases in salary will increase the defined benefit obligation.

**Demographic risk :**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**35. Capital management**
**A. Capital management and gearing ratio**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is debt divided by total capital. The company includes within debt, interest bearing loans and borrowings.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

| Particulars                              | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------|------------------------------|------------------------------|
| <b>Borrowings</b>                        |                              |                              |
| Current                                  | 8,307.69                     | 909.09                       |
| Non-current                              | 8,048.86                     | 151.52                       |
| <b>Debt</b>                              | <b>16,356.55</b>             | <b>1,060.60</b>              |
| <b>Equity</b>                            |                              |                              |
| Equity share capital                     | 4,000.00                     | 4,000.00                     |
| Other equity                             | 39,347.20                    | 38,914.32                    |
| <b>Total capital</b>                     | <b>43,347.20</b>             | <b>42,914.32</b>             |
| <b>Gearing ratio in % (debt/ equity)</b> | <b>37.73%</b>                | <b>2.47%</b>                 |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

**36. Financial instruments and risk management**
**Fair values**

The carrying amounts of trade payables, other financial liabilities (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short term nature.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

**(i) Categories of financial instruments**

| Particulars                        | Level | As at March 31, 2026 |                  | As at March 31, 2025 |                  |
|------------------------------------|-------|----------------------|------------------|----------------------|------------------|
|                                    |       | Carrying amount      | Fair value*      | Carrying amount      | Fair value*      |
| <b>Financial assets</b>            |       |                      |                  |                      |                  |
| <b>Measured at amortised cost:</b> |       |                      |                  |                      |                  |
| <b>Non-current</b>                 |       |                      |                  |                      |                  |
| Other financial assets             | 3     | 73.27                | 73.27            | 184.86               | 184.86           |
| <b>Current</b>                     |       |                      |                  |                      |                  |
| Trade receivables                  | 3     | 5,123.53             | 5,123.53         | 3,203.65             | 3,203.65         |
| Cash and cash equivalents          | 3     | 30.54                | 30.54            | 11,040.17            | 11,040.17        |
| Other bank balances                | 3     | 12.10                | 12.10            | 5.14                 | 5.14             |
| Other financial assets             | 3     | 0.66                 | 0.66             | 7.98                 | 7.98             |
| <b>Total</b>                       |       | <b>5,240.10</b>      | <b>5,240.10</b>  | <b>14,441.81</b>     | <b>14,441.81</b> |
| <b>Financial liabilities</b>       |       |                      |                  |                      |                  |
| <b>Measured at amortised cost:</b> |       |                      |                  |                      |                  |
| <b>Non-current</b>                 |       |                      |                  |                      |                  |
| Borrowings                         | 3     | 8,048.86             | 8,048.86         | 151.52               | 151.52           |
| Lease liabilities                  | 3     | 17.79                | 17.79            | -                    | -                |
| <b>Current</b>                     |       |                      |                  |                      |                  |
| Borrowings                         | 3     | 8,307.69             | 8,307.69         | 909.09               | 909.09           |
| Trade payables                     | 3     | 3,660.71             | 3,660.71         | 503.04               | 503.04           |
| Lease liabilities                  | 3     | 7.80                 | 7.80             | 0.65                 | 0.65             |
| Other financial liabilities        | 3     | 16,119.23            | 16,119.23        | 470.89               | 470.89           |
| <b>Total</b>                       |       | <b>36,162.08</b>     | <b>36,162.08</b> | <b>2,035.18</b>      | <b>2,035.18</b>  |

\*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

(All amounts are in rupees in lakhs, except share data or otherwise stated)

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

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

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

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

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**(A) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in a respective market risks. This is based on the financial assets and financial liabilities at 31st March, 2026 and 31st March, 2025

**(i) Foreign currency exchange rate risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/ other payables and trade/other receivables. The risks primarily relate to fluctuations in US Dollar and Euros against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

**(ii) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

**Foreign currency exposure**

| Particulars                                  | As at March 31, 2026 |          | As at March 31, 2025 |              |
|----------------------------------------------|----------------------|----------|----------------------|--------------|
|                                              | USD                  | EURO     | USD                  | EURO         |
| Bank balances                                | 30.53                | -        | 42.31                | -            |
| Trade receivables                            | 53.76                | -        | 84.71                | 30.98        |
| Trade payables                               | -                    | -        | 255.36               | -            |
| <b>Net exposure to foreign currency risk</b> | <b>84.29</b>         | <b>-</b> | <b>382.38</b>        | <b>30.98</b> |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*

| Particulars           | Increase/(decrease) in profit before tax |                | Increase/(decrease) in other components of equity |                |
|-----------------------|------------------------------------------|----------------|---------------------------------------------------|----------------|
|                       | March 31, 2026                           | March 31, 2025 | March 31, 2026                                    | March 31, 2025 |
| <b>Change in USD</b>  |                                          |                |                                                   |                |
| 1% increase           | 0.84                                     | (1.28)         | 0.63                                              | (0.96)         |
| 1% decrease           | (0.23)                                   | (2.98)         | (0.17)                                            | (2.23)         |
| <b>Change in EURO</b> |                                          |                |                                                   |                |
| 1% increase           | -                                        | 0.31           | -                                                 | 0.23           |
| 1% decrease           | -                                        | (0.31)         | -                                                 | (0.23)         |

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and Other currencies, where the functional currency of the entity is a currency other than US dollars and Other currencies.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars                  | Increase/(decrease) in profit before tax |                | Increase/(decrease) in other components of equity |                |
|------------------------------|------------------------------------------|----------------|---------------------------------------------------|----------------|
|                              | March 31, 2026                           | March 31, 2025 | March 31, 2026                                    | March 31, 2025 |
| Change in interest rate      |                                          |                |                                                   |                |
| increase by 100 basis points | (31.21)                                  | (13.91)        | (23.36)                                           | (10.41)        |
| decrease by 100 basis points | 31.21                                    | 13.91          | 23.36                                             | 10.41          |

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.

**(B) Credit risk**

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to financial assets of the Company include trade receivables, security deposits held with government authorities and bank deposits which represents Company's maximum exposure to the credit risk.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. With respect to other financial assets viz., loans & advances, deposits with government and banks, the credit risk is insignificant since the loans & advances are given to employees only and deposits are held with government bodies and reputable banks. The credit quality of the financial assets is satisfactory, taking into account the allowance for credit losses.

**Credit risk on trade receivables and other financial assets is evaluated as follows:**

**(i) Expected credit loss for trade receivables under simplified approach:**

| Particulars                                       | March 31, 2026  | March 31, 2025  |
|---------------------------------------------------|-----------------|-----------------|
| Gross carrying amount                             | 5,123.53        | 3,203.65        |
| Expected credit losses (loss allowance provision) | -               | -               |
| <b>Carrying amount of trade receivables</b>       | <b>5,123.53</b> | <b>3,203.65</b> |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

(All amounts are in rupees in lakhs, except share data or otherwise stated)

**(ii) Expected credit loss for other financial assets under simplified approach:**

| Particulars                                       | March 31, 2026 | March 31, 2025 |
|---------------------------------------------------|----------------|----------------|
| Gross carrying amount                             | 0.66           | 7.98           |
| Expected credit losses (loss allowance provision) | -              | -              |
| <b>Carrying amount of other financial assets</b>  | <b>0.66</b>    | <b>7.98</b>    |

**(iii) Significant estimates and judgements**
**Impairment of financial assets:**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(C) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements:**

The company had access to the following undrawn borrowing facilities at the end of the year.

| Particulars                                                    | March 31, 2026 | March 31, 2025 |
|----------------------------------------------------------------|----------------|----------------|
| Expiring within one year (bank overdraft and other facilities) | 218.82         | 5,000.00       |

**(ii) Maturities of financial liabilities**

**Contractual maturities of financial liabilities as at :**

| Particulars                 | March 31, 2026      |                     | March 31, 2025      |                     |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
|                             | Less than 12 Months | More than 12 Months | Less than 12 Months | More than 12 Months |
| Borrowings                  | 8,307.69            | 8,048.46            | 909.09              | 151.52              |
| Lease liabilities           | 7.80                | 17.79               | 0.65                | -                   |
| Trade payables              | 3,660.71            | -                   | 503.04              | -                   |
| Other financial liabilities | 16,119.23           | -                   | 470.89              | -                   |
| <b>Total</b>                | <b>28,095.43</b>    | <b>8,066.65</b>     | <b>1,883.67</b>     | <b>151.52</b>       |

(iii) Management expects finance costs to be incurred for the year ending March 31, 2027 is Rs. 1,745.00 Lakhs.

**37. Segment information:**
**a) Description of segments and principal activities**

The Company's primary segment is identified as business segment based on nature of products, risks, returns and the internal business 'reporting' system. The Company is principally engaged in a single business segment viz. 'Speciality Chemicals' only.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**b) Information about geographical segments**

| Particulars                        | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------|----------------------|----------------------|
| <b>Geographical segment assets</b> |                      |                      |
| <b>India</b>                       |                      |                      |
| Current                            | 13,777.26            | 18,164.45            |
| Non Current                        | 65,896.43            | 26,658.08            |
| <b>Outside India</b>               |                      |                      |
| Current                            | 53.76                | 115.69               |
| Non Current                        | 2074.38              | 2,185.88             |
| <b>TOTAL</b>                       | <b>81,801.83</b>     | <b>47,124.10</b>     |

| Particulars                         | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------|----------------------|----------------------|
| <b>Geographical segment revenue</b> |                      |                      |
| India                               | 14,132.10            | 11,454.74            |
| Outside India                       | 367.41               | 1,602.80             |
| <b>Revenue from operations</b>      | <b>14,499.51</b>     | <b>13,057.54</b>     |

**c) Information about products:**

Revenue from external customers - Sale of Chemicals : Rs.14499.51 lakhs (P.Y. 13057.54 lakhs)

**d) Information about major customers**

Sales to one of the customer of the company exceed 10% of the total revenue of company individually, the revenue from the customers is disclosed below:

Customer 1 - Rs.9498.79 lakhs

Customer 2 - Rs.1666.68 lakhs

**38. Ind AS 115 – Revenue from Contracts with Customers**

The Company is primarily in the Business of manufacture and sale of Speciality Chemicals. All product sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch or delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component.

**(B) Reconciliation of revenue recognised from Contract liability (Advance from Customers):**

| Particulars                                         | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------------|----------------------|----------------------|
| Opening contract liability                          | 0.13                 | 1.66                 |
| Add: Addition to contract liability during the year | 169.71               | 159.44               |
| Less: Recognised as revenue during the year         | (163.92)             | (160.96)             |
| <b>Closing contract liability</b>                   | <b>5.92</b>          | <b>0.13</b>          |

**(C)**

| Particulars                                                                          | As at March 31, 2026 | As at March 31, 2025 |
|--------------------------------------------------------------------------------------|----------------------|----------------------|
| Revenue from contract with customer as per Contract price                            | 14,575.41            | 13,081.23            |
| Less: Discounts and incentives                                                       | -                    | -                    |
| Less:- Sales Returns /Credits / Reversals                                            | (75.90)              | (24.05)              |
| <b>Revenue from contracts with customers as per the Statement of profit and loss</b> | <b>14,499.51</b>     | <b>13,057.19</b>     |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**
*(All amounts are in rupees in lakhs, except share data or otherwise stated)*
**(D) Disaggregation of Revenue from contracts with customers**

| Particulars  | As at March 31, 2026 | As at March 31, 2025 |
|--------------|----------------------|----------------------|
| India        | 14,132.10            | 11,454.74            |
| China        | -                    | 42.49                |
| USA          | 85.59                | 522.11               |
| Germany      | 31.64                | 96.35                |
| Belgium      | -                    | 103.24               |
| UAE          | 35.32                | -                    |
| Italy        | 44.86                | 55.26                |
| Spain        | 165.61               | 270.50               |
| Singapore    | -                    | 512.86               |
| Japan        | 4.39                 | -                    |
| <b>Total</b> | <b>14,499.51</b>     | <b>13,057.54</b>     |

**39. Analytical Ratios**

| Sr. No. | Particulars                                 | Numerator                                                                                                               | Denominator                                                        | March 31, 2026 | March 31, 2025 | % Variance | Reasons for variation in excess of 25%                                                         |
|---------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------------|----------------|------------|------------------------------------------------------------------------------------------------|
| 1       | Current ratio (in times)                    | Total current assets                                                                                                    | Total current liabilities                                          | 0.49           | 9.55           | (94.86%)   | Due to increase in current borrowings from banks and payables on account of expansion projects |
| 2       | Debt-equity ratio (in times)                | Borrowings                                                                                                              | Total equity                                                       | 0.38           | 0.03           | 1408.00%   | New borrowings taken by the Company towards expansion projects                                 |
| 3       | Debt service coverage ratio (in times)      | Earning for debt service = Net profit after taxes + Non-cash operating expenses + Interest + Other non cash adjustments | Debt services = Interest and lease payments + Principal repayments | 1.49           | 1.30           | 14.26%     | Not applicable                                                                                 |
| 4       | Return on equity (in %)                     | Net profit after tax                                                                                                    | Average total equity                                               | 0.010          | 0.006          | 66.67%     | Due to increase in the profit                                                                  |
| 5       | Inventory turnover ratio (in times)         | Net sales                                                                                                               | Average inventory                                                  | 5.59           | 5.67           | (1.34%)    | Not applicable                                                                                 |
| 6       | Trade receivables turnover ratio (in times) | Net sales                                                                                                               | Average Trade receivables                                          | 3.66           | 2.98           | 22.81%     | Not applicable                                                                                 |
| 7       | Trade payables turnover ratio (in times)    | Total purchases                                                                                                         | Average Trade payables                                             | 6.08           | 21.94          | (72.29%)   | Due to increase in trade payables                                                              |
| 8       | Net capital turnover ratio                  | Sales                                                                                                                   | Working capital                                                    | (1.06)         | 0.82           | (229.08%)  | Due to increase in current borrowings from banks and payables on account of expansion projects |
| 9       | Net profit ratio (in %)                     | Net profit after tax                                                                                                    | Sales                                                              | 0.029          | 0.018          | 61.11%     | Due to increase in the turnover and corresponding profit                                       |
| 10      | Return on capital employed (in %)           | Earnings before interest and taxes (EBIT)                                                                               | Capital employed                                                   | 0.014          | 0.013          | 7.69%      | Not applicable                                                                                 |

\* given to the extent applicable.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in rupees in lakhs, except share data or otherwise stated)

### 40. Additional regulatory information given to the extent applicable

#### a. Borrowings on the basis of security of current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly statements filed by the Company with Banks are in agreement with the books of account subject to a difference in the inventories amounting to Rs 3834.01 lakhs arising on account of catalyst treated as stock in the statements filed with the bank.

#### b. Registration or satisfaction of charges with Registrar of Companies (RoC)

During the year, the company has availed a term loan from HDFC Bank Limited which is secured by pari-passu charge on specified immovable and movable assets, DSRA, second charge on current assets and receivables alongwith a pledge of promoter shareholding and personal guarantees of the promoters. However, the charge creation is pending with the Registrar of Companies as required under Section 77 of the Companies Act, 2013. The Company is in the process of filing the requisite charge documents with the Registrar of Companies.

### 41. New Labour Codes

The Government of India has notified the four Labour Codes - The Code on Wages, 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "New Labour Codes"). The said New Labour Codes were effective from November 21, 2025. The Company has evaluated the incremental liability and the same is not material to the financial statements. The Company continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

42. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43. The Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The audit trail feature is not disabled or tampered with during the year. Further, the audit trail (edit log) is preserved as per the provisions of the Companies Act.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For M. Anandam & Co.,**

Chartered Accountants

(Firm Regn. No.000125S)

For and on behalf of Board of Directors

Sd/-  
**B V Suresh Kumar**  
Partner  
M.No. 212187

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**N. Rajeshwar Reddy**  
Managing Director  
DIN : 00003854

Place: Solapur  
Date: May 6, 2026

Sd/-  
**G. Hemanth Reddy**  
Wholetime Director  
DIN : 00003868

Place: Hyderabad  
Date: May 6, 2026

Sd/-  
**Abhijeet Kothadiya**  
Company Secretary  
M.No.A68288

Place: Solapur  
Date: May 6, 2026

Sd/-  
**PardeepSingh Watwani**  
Chief Financial Officer  
PAN: ABSPW1999F

Place: Solapur  
Date: May 6, 2026

NOTES :

**NOTES :**



WE ARE THE SOLE MANUFACTURER IN INDIA OF

# NICHE CHEMICALS OF



**ETHYLENEDIAMINE  
(EDA)**



**PIPERAZINE (ANHYDROUS)  
(PIP)**



**DIETHYLENETRIAMINE  
(DETA)**



**AMINO ETHYL ETHANOL AMINES  
(AEEA)**



**AMINO ETHYL PIPERAZINE  
(AEP)**







*Balaji*

**Speciality Chemicals Limited**

**Registered Office :** 2<sup>nd</sup> Floor, 'Balaji Towers'  
No.9/1A/1, Hotgi Road, Aasara Chowk,  
Solapur - 413224, Maharashtra