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AQUAPHARM

A New Era of Possibilities

ANNUAL REPORT FY 2025-26

Aquapharm
Chemical Limited
www.aquapharm-india.com

RP - Sanjiv Goenka Group
Growing Legacies

AQUAPHARM

AQUAPHARM CHEMICAL LIMITED
(formerly known as Advaya Chemical Industries Limited)

3rd ANNUAL REPORT- 2025-26

Board of Directors

Mr. Gopal Rathi	Non-Executive Director	(DIN: 00553066)
Mr. Kaushik Roy	Non-Executive Director	(DIN: 06513489)
Ms. Iram Hassan	Independent Director	(DIN: 10183873)
Ms. Kusum Dadoo	Independent Director	(DIN: 06967827)
Mr. Umang Kanoria	Independent Director	(DIN: 00081108)
Mr. Ganesh Vishwanathan	Whole time Director & CFO	(DIN: 11259872)

Company Secretary & Compliance officer	Mr. Jayesh Damle
Statutory Auditors	M/s. S. R. Batliboi & Co. LLP, Chartered Accountants
Secretarial Auditors	M/s. Prajot Tungare and Associates, Company Secretary
Cost Auditors	M/s. Shome & Banerjee, Cost Accountants
Debenture Trustee	Catalyst Trusteeship Limited
Bankers	Citibank N.A. DBS Bank India Limited HDFC Bank Ltd. ICICI Bank Limited IndusInd Bank The Hongkong and Shanghai Banking Corporation Ltd. Union Bank of India Yes Bank Limited
Registered & Corporate Office	9th &10th Floor, "Amar Synergy", 12B, Sadhu Vaswani Road, Pune - 411001, India
R&D	EL-24, Pimpri Industrial Area, MIDC, Bhosari, Pune - 411026, India
Works	
Pirangut:	At & Near Pirangut Village, Taluka - Mulshi, District: Pune - 412108, India
Mahad:	K-3 /1,2 & 3 Additional Mahad Industrial Area, Taluka - Mahad, District - Raigad - 402302, India K-2/4, Additional Mahad Industrial Area, Mahad Taluka - Mahad, District - Raigad - 402302, India L-45/5, L-45/6, L-45/7, Additional Mahad Industrial Area, Mahad Taluka - Mahad, District - Raigad - 402302, India

Website: www.aquapharm-india.com
CIN: U20299PN2024PLC227198
TEL: at corporate office: +91 20 66090000
Fax: at corporate office: + 912026053396

NOTICE TO THE MEMBERS

Shorter Notice is hereby given that the Third (3rd) Annual General Meeting of the Members of Aquapharm Chemical Limited (Formerly known as Advaya Chemical Industries Limited) (the "Company") will be held on Thursday, the 27th day of August 2026 at 04:00 P.M. through Video Conference ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2026 including the Consolidated Audited Financial Statements for the year ended 31st March 2026 together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Kaushik Roy (holding DIN: 06513489), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of the Cost Auditor for the financial year ending 31st March 2027.

   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 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the Company hereby approves the aggregate remuneration of Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand only) plus applicable taxes and out of pocket expenses, as approved by the Board of Directors of the Company, payable to M/s Shome & Banerjee (Firm Registration No. 000001) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027 be and is hereby ratified."

4. To consider the appointment of M/s. Prajot Tungare & Associates, Company Secretaries, as Secretarial Auditor of the Company, and to fix their remuneration in this regard.

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

"RESOLVED THAT, pursuant to the provisions of Section 204, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and any other provisions as applicable (including any statutory modification(s) or re-enactment thereof for the time being in force), and as per the recommendation of Board of Directors of the Company, the approval of members be and is hereby accorded for appointment of M/s. Prajot Tungare & Associates, Company Secretaries (ICSI Unique Code P2001MH010200), as the Secretarial Auditors of the Company for undertaking the Secretarial Audit of the Company for First term of 5 (Five) consecutive financial years from 2025-2026 to 2029-30 (Including 1 year appointed in casual vacancy for financial year 2025-26), at such professional fees and re-imbursement of out of pocket expenses, if any, in each financial year, as mutually agreed between the Board of Directors or Audit Committee of the Company and the Secretarial Auditors of the Company."

Registered Office
9th and 10th Floor,
Amar Synergy, 12B, Sadhu Vaswani Road,
Pune – 411001, Maharashtra
CIN: U20299PN2024PLC227198

By Order of the Board

Place: - Pune
Date: - 24-08-2026

SD/-
Jayesh Damle
Company Secretary & Compliance Officer
(Membership No: A24869)

NOTES:

1. The meeting of the Members is being convened at shorter notice with the consent of 100% of members entitled to vote, as per the provisions of Section 101 of the Companies Act, 2013. The necessary approvals has been obtained in compliance with statutory requirements.
2. In compliance with the provisions of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 03rd AGM of the Company is being held through Video Conferencing ("VC") on Thursday, the 27th day of August 2026 at 04:00 P.M., which does not require physical presence of Members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at 9th & 10th Floor, "Amar Synergy", 12B, Sadhu Vaswani Road, Pune - 411001.
3. The Company has availed the services of Microsoft Teams platform for conducting meeting through Video Conferencing.
4. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 03rd AGM.
5. Since the AGM will be held through VC Facility, the route map, proxy form and attendance slip are not annexed to this Notice. The recorded transcript of the AGM shall be made available as soon as possible on the website of the Company at aquapharm-india.com.
6. The Members can join the AGM in the VC mode 15 minutes before the commencement of the Meeting.
7. The attendance of the Members participating in the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. A Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") relating to Special Businesses to be transacted at the AGM is attached hereto.
9. The cut-off date for determining the eligibility of members to attend and vote at the AGM is 21-08-2026. Only members registered as of this date will be entitled to participate and cast their votes.
10. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Non-individual Members are required to authorize one or more person as their representative to attend the Annual General Meeting through a resolution of its Board of Directors or other Governing Body.
12. Nomination facility as per the provisions of Section 72 of the Act is available to individual's holding shares in the Company. Members can nominate a person in respect of all the shares held by them singly or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be.
13. Members are requested to:
    a) Notify immediately any change in their address to the Company.
    b) Quote their Folio Numbers in all correspondence with the Company.
    c) Furnish Bank Account particulars, in case not sent earlier or want any updation thereto.
    d) Update their PAN / Aadhaar Number / any other Registration Number in the Register of Members of the Company.
14. Members may also note that the Notice of the AGM and the Annual Report for Financial Year 2025-26 will also be available on the Company's website: aquapharm-india.com for their download. The aforesaid documents and all the documents referred to in the accompanying Notice will also be available for inspection by the Members under the "Investor Relations" segment of the Company at aquapharm-india.com
15. Details required under Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of appointment is annexed as Annexure I and forms an integral part of the Notice. The Director has furnished the requisite declarations for his appointment.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC ARE AS UNDER:

1. Members will be provided with the facility to attend the 03rd Annual General Meeting (AGM) via Video Conferencing (VC) through the Microsoft Teams platform. A meeting link and password for joining the AGM will be shared with members shortly before the scheduled time.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop Connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi Connection to mitigate any kind of aforesaid glitches.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.	**3.**

To ratify the remuneration of the Cost Auditor for the financial year ending 31st March 2027

Based on the recommendations of Audit Committee, the Board of Directors in its meeting held on 13th July 2026, has approved the appointment of M/s. Shome & Banerjee (Firm Registration No. 000001) at an aggregate remuneration of Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand only) plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the Company for the Financial year ending 31st March 2027.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought by way of an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March 2027.

None of the Directors of the Company and their relatives is/are in any way interested or concerned in the said resolution.

The Board of Directors of your company recommends resolution for the approval of Members as an Ordinary Resolution.

ITEM NO.	**4.**

To consider the appointment of M/s. Prajot Tungare & Associates, Company Secretaries, as Secretarial Auditor of the Company.

Pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act") and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') amended vide SEBI Notification dated December 12, 2024, the Audit Committee and the Board of Directors at their respective meetings held on 13th July 2026 has approved the appointment of M/s. Prajot Tungare & Associates, Company Secretaries, as the Secretarial Auditors of the Company for a term of 4 (four) consecutive financial years, from the financial year 2026-2027 to 2029-30. The appointment is subject to shareholders' approval at the Annual General Meeting.

While recommending M/s. Prajot Tungare & Associates for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. M/s. Prajot Tungare & Associates was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company. M/s. Prajot Tungare & Associates is a pear reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi. The firm M/s. Prajot Tungare & Associates is a 25-year-old firm promoted by CS Prajot Tungare. Striving for quality and excellence in legal and secretarial consultancy which covers varied areas of the corporate field and diverse avenues of corporate laws & other related areas.

The terms and conditions of M/s. Prajot Tungare & Associates' appointment include a tenure of term of 4 (four) consecutive financial years, from the financial year 2026-2027 to 2029-30 at such remuneration as shall be decided and fixed by the Board of Directors of the Company.

M/s. Prajot Tungare & Associates has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and SEBI Listing Regulations. Accordingly, the consent of the shareholders is sought for the appointment of M/s. Prajot Tungare & Associates as the Secretarial Auditors of the Company. The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 4 of the Notice.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 04 of the notice as an ordinary resolution. None of the Directors or Key Managerial Persons of the Company (including their relatives), in the Company are concerned or interested in the said resolution.

Registered Office
9th and 10th Floor,
Amar Synergy, 12B, Sadhu Vaswani Road,
Pune – 411001, Maharashtra
CIN: U20299PN2024PLC227198

Place: - Pune
Date: - 24-08-2026

By Order of the Board

SD/-
Jayesh Damle
Company Secretary & Compliance Officer
(Membership No: A24869)

Details of Director as per Secretarial Standard on General Meetings – SS-2.

Sr. No.	Particulars	Mr. Kaushik Roy
1.	Date of birth & Age	60
2.	Qualification	Mechanical Engineer with a Post Graduate Degree from IIT Kharagpur and studied Business Administration from the University of Tokyo
3.	Date of first appointment on Board	27th March 2025
4.	Terms and conditions of appointment.	Non-Executive Director The terms of appointment are as per the resolution set out in this Notice read with Statements therein.
5.	Experience	Please refer the Explanatory Statement as set out to Item No 2
6.	Shareholding in the company (If any)	NIL
7.	The number of Meetings of the Board attended during the year 2025-26	9
8.	Other Directorships	1. Harrisons Malayalam Ltd 2. Nanovace Technologies Limited 3. Spencer International Hotels Limited 4. STEL Holdings Limited
	Membership/ Chairmanship of Committees of other Boards	As mentioned below
	No. of Directorships in Listed Entities Incl. This Listed Entity	2
	No. of Memberships in Audit/Stakeholders Committee(s) including this listed entity	2
	No. of post of Chairperson in Audit/Stakeholders Committee(s) incl/ this Listed entity	Nil
9.	Relationship with other Directors, Managers and Key Managerial Personnel (KMP) of the Company	Not related to any of the directors or KMP of the Company
10.	The remuneration last drawn by such person from the Company (if applicable) and Details of Remuneration sought to be paid	Not Applicable

BOARD'S REPORT

To,
The Members,

The Board of Directors of Aquapharm Chemical Limited (formerly known as Advaya Chemical Industries Limited) ("your Company" or "the Company" or "ACL") presents the 3rd (Third) Annual Report on the business and operations of the Company and the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March 2026 ("financial year under review").

1. FINANCIAL PERFORMANCE:

The highlights of the Company's financial performance for the year under review, along with the previous year's figures, are given hereunder:

(Amount in INR Crores)

	Standalone		Consolidated	
Particulars	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Revenue from operations	793.23	766.99	1,442.73	1,419.80
PBDIT	126.15	119.73	161.91	193.68
Less: Finance Cost	102.57	104.03	106.47	107.51
PBDT	23.58	15.70	55.44	86.17
Less: Depreciation	128.55	114.11	143.37	128.09
Loss before Tax (before Exceptional Items)	(104.97)	(98.41)	(87.93)	(41.92)
Exceptional Items	11.54	0.52	11.54	0.52
Tax Expense	(31.17)	(20.91)	(30.77)	(13.30)
Loss after Tax	(85.34)	(78.02)	(68.70)	(29.14)
Earnings Per Equity Share	(0.30)	(1.87)	(0.24)	(0.69)

The financial statements for the year ended 31st March 2026 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act, 2013 (IND AS Compliant Schedule III) as applicable to the standalone financial statements.

2. PERFORMANCE REVIEW, STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Aquapharm Chemical Limited (formerly known as Advaya Chemical Industries Limited) is a leading manufacturer of Specialty chemicals, such as Phosphonates, Polymers, Biocides, Biodegradable chelating agents, and Oilfield chemicals. It ranks among the top global producers of Phosphonates and is recognized as the largest Phosphonate manufacturer in India.

The Company's revenue from operations increased to ₹793.23 crores on a standalone basis and ₹1,442.73 crores on a consolidated basis, as compared to ₹766.99 crores and ₹1,419.80 crores, respectively, in the previous year. On a standalone basis, PBDIT increased from ₹119.73 crores to ₹126.15 crores, while on a consolidated basis, PBDIT stood at ₹161.91 crores as against ₹193.68 crores in the previous year.

Despite the improvement in operating performance, higher depreciation resulted in a loss before tax & exceptional items of ₹104.97 crore on a standalone basis and ₹87.93 crore on a consolidated basis. Consequently, the Company reported a loss after tax of ₹85.34 crore on a standalone basis and ₹68.70 crore on a consolidated basis for the year under review.

3. LISTING OF NON-CONVERTIBLE DEBT SECURITIES:

The Non-Convertible Debentures (NCDs) of the Company are listed on BSE Limited. The Company continues to comply with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and other applicable laws, rules, regulations and guidelines governing listed non-convertible securities.

4. SHARE CAPITAL OF THE COMPANY:

The Authorised Share Capital of the Company since incorporation is ₹ 4,000 Crores (Rupees Four Thousand Crores) divided into 400 Crores equity shares of ₹ 10/- each. The paid-up Share Capital of the Company is ₹ 2,850 Crores (Rupees Two Thousand Eight Hundred and Fifty Crores).

Further during the year under review, there was no issue of equity shares with differential rights, sweat equity and under any scheme of employee stock option as per the provisions of the Companies Act, 2013, and rules made thereunder.

5. DIVIDEND:

The Board of Directors has not recommended any dividend for the financial year 2025-26.

6. TRANSFER TO RESERVES:

During the year under review, no amount is proposed to be transferred to any reserve.

7. CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:

The Company is engaged in the business of manufacturing, marketing and sale of Water treatment chemicals and Oil and Gas chemicals, primarily Phosphonates, low molecular weight Polymers, Biodegradable Chelating Agents, Production, Drilling & Cementing Chemical additives, Biocides, and other downstream chemicals related to the foregoing.

There has been no change in the nature of the business of the company.

8. WEBLINK OF ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return of the Company as of 31st March 2026, is made available on the website of your Company and can be accessed at www.aquapharm-india.com.

9. NUMBER OF MEETINGS OF THE BOARD:

The Board met Ten (10) times during the year under review. The intervening gap between two consecutive board meetings did not exceed 120 days, as prescribed under the Companies Act, 2013.

The Board meetings were held on:

Sr. No.	Date	Sr. No.	Date
1.	23-04-2025	2.	15-05-2025
3.	14-07-2025	4.	23-07-2025
5.	24-09-2025	6.	10-10-2025
7.	12-01-2026	8.	12-01-2026
9.	09-03-2026	10.	31-03-2026

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Composition of Board of Directors and Key Managerial Personnel as on 31st March 2026 is as follows:

S. No.	Name	Designation	DIN / PAN	Date of Appointment
1	Mr. Kaushik Roy	Non-Executive Director	06513489	27-03-2025
2	Mr. Gopal Rathi	Non-Executive Director	00553066	17-12-2024
3	Ms. Kusum Dadoo	Independent Director	06967827	02-05-2024
4	Ms. Iram Hassan	Independent Director	10183873	17-12-2024
5	Mr. Umang Kanoria	Additional Director – Independent	00081108	31-03-2026
6	Mr. Ganesh Vishwanathan	Whole-Time Director (Additional Director)	11259872	31-03-2026
7	Mr. Ganesh Vishwanathan	Chief Financial Officer	ADVPV2380G	06-02-2025
8	Mr. Jayesh Gopal Damle	Company Secretary & Compliance officer	AJUPD8969L	06-02-2025

➢ Further, following is a list of the changes made to the composition of Board of Directors and Key Managerial Personnel during the financial year under review.

- **Resignation of Directors:**

  - Mr. Suresh Kalra resigned from the positions of Chief Executive Officer and Whole-time Director of the Company with effect from the close of business hours on 9th January 2026, vide his resignation letter dated 8th January 2026, citing personal reasons.

- Mr. Tharavanat Chandrasekharan Suseelkumar resigned from the position of Independent Director of the Company with effect from 31st March 2026, vide his resignation letter dated 17th March 2026, citing personal reasons.

- **Appointment of Directors:**

  - Mr. Ganesh Vishwanathan (DIN: 11259872) was appointed as an Additional Director and Whole-time Director of the Company for a period of three (3) years with effect from 31st March 2026 to 30th March 2029 and subsequently appointed/confirmed as Whole-time Director by the members at the Extra-ordinary General Meeting held on 29th June 2026.
  - Mr. Umang Kanoria (DIN: 00081108) appointed as an Additional Director with effect from 31st March 2026 and subsequently appointed/confirmed as Non-Executive Independent Director by the members at the Extra-ordinary General Meeting held on 29th June 2026.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Kaushik Roy retires by rotation and being eligible, has offered himself for re-appointment.

The Board recommends the re-appointment of Mr. Kaushik Roy as Director for your approval. Brief details as required under Secretarial Standard-2 are provided in the Notice of AGM.

11. DISQUALIFICATION OF DIRECTORS:

None of the Directors of the Company have incurred any disqualification on account of non-compliance with any of the provisions of the Companies Act, 2013.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Sections 134(3)(c) and 134(5) of the Act, the Board, to the best of their knowledge and belief, confirms that:

a) In the preparation of the annual accounts for the financial year ended 31st March 2026, the applicable accounting standards have been followed, and there are no material departures;

b) Appropriate accounting policies have been selected and applied consistently, and judgments and estimates have been made 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 loss of your Company for that period;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on a going concern basis;

e) Internal financial controls laid down by the Directors have been followed by the Company and such internal financial controls are adequate and are operating effectively; and

f) Proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

13. STATUTORY AUDITORS AND AUDITOR'S REPORT:

During the year under review M/s. L. B. Jha & Co., Chartered Accountants had resigned due to pre-occupation with other assignments, vide their letter dated 07th May 2025 with immediate effect.

The Board in its meeting held on 15th May 2025 has appointed M/s S. R. Batliboi & Co. LLP, (FRN No. 301003E/E300005) Chartered Accountants, as the Statutory Auditors of the Company subject to the approval of the Members in the ensuing Annual General Meeting.

The Company in its 2nd (Second) Annual General Meeting held on 25th June, 2025 had appointed M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration Number: 301003E/E300005) as the Statutory Auditors of the Company from the conclusion of 2nd Annual General Meeting and continuing till the conclusion of the Annual General Meeting to be held for the Financial Year 2029-2030 in accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) at a remuneration as may be decided and fixed by the Board of Directors of the Company.

There are no qualifications, reservations, adverse remarks, or disclaimers made by the Statutory Auditors in their report. During the financial year under review, the Auditors had not reported any matter under Section 143 (12) of the Act; therefore, no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

The report given by M/s S. R. Batliboi & Co. LLP, Chartered Accountants, on the financial statement of the Company for the year 2025-2026 is a part of the annual report. The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

14. SECRETARIAL AUDITORS & THEIR REPORT:

M/s. Prajot Tungare & Associates, Company Secretaries were appointed to fill the casual vacancy caused by the resignation of M/s Mehta & Mehta for the financial year 2025-26 and to hold office until the conclusion of the ensuing Annual General Meeting.

Further, the Board, based on the recommendation of the Audit Committee, appointed M/s Prajot Tungare & Associates as Secretarial Auditor for a first term of five consecutive financial years commencing from FY 2026-27 to FY 2029-30 (including one year appointed to fill the casual vacancy for financial year 2025-26), subject to approval of the members, as applicable.

The Secretarial Audit Report has been annexed to this report as **Annexure-IV**.

There are no qualifications, reservations, adverse remarks, or disclaimers made by the Secretarial Auditors in their report.

15. COST AUDITORS:

Financial Year 2025-26:

Pursuant to the Companies (Cost Record & Audit) Amendment Rules 2014, the provisions of cost audit are applicable to the Company for the financial year 2025-26.

Accordingly, the Board had appointed M/s. Shome & Banerjee, Cost Accountants, Kolkata, in the Board meeting held on 14th July 2025 as the Cost Auditor for conducting the audit of cost records of the Company for the financial year 2025-26.

Further, in terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the cost accounts and records are prepared and maintained by the Company as specified by the Central Government.

Financial Year 2026-27:

Pursuant to the Companies (Cost Record & Audit) Amendment Rules 2014, the provisions of cost audit are applicable to the Company for the financial year 2026-27.

Accordingly, the Board had appointed M/s. Shome & Banerjee, Cost Accountants, Kolkata, in the Board meeting held on 13th July 2026 as the Cost Auditor for conducting the audit of cost records of the Company for the financial year 2026-27, at the remuneration approved by the Board of Directors of the company, which will be subsequently ratified by members in the ensuing Annual General Meeting.

Accordingly, pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board seeks the ratification by the members for remuneration payable to M/s. Shome and Banerjee, Cost Accountants, Kolkata, for financial year 2026-27.

16. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There is no fraud reported by auditors under Sub-Section (12) of Section 143 other than those which are reportable to the Central Government.

17. INDEPENDENT DIRECTORS AND THEIR DECLARATIONS:

The Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. The Independent Directors have also confirmed that there has been no change in circumstances that may affect their status as Independent Directors.

Further, the Independent Directors have confirmed compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, relating to inclusion of their names in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

18. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

Pursuant to the provisions of Section 178(3) of the Act, your Company has framed a policy on Directors' appointment and remuneration and other matters, which is available on the website of the Company at www.aquapharm-india.com.

19. SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with respect to all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) under the provisions of Section 118(10) of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs, Government of India. The Board hereby reports that during the financial year under review, the Company has complied with applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to Meetings of the Board of Directors, Committee Meetings and General Meetings, respectively.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Details of Loans, Guarantees and Investments made during the year under review are briefly noted under Note No. 7, Note No. 37 and Note No. 6 respectively to the standalone financial statements.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188(1) OF COMPANIES ACT, 2013:

The particulars relating to contracts or arrangements which are in the ordinary course of business and at arm's length with related parties are provided in **Annexure-I** (AOC 2) to this report.

Such transactions have been entered into by the Company for following purposes:

- Operational Requirement: The transactions are essential for the smooth functioning of the Company's business and to ensure uninterrupted supply of goods/services critical to operations of the Company.

- Cost Efficiency: Engaging with the related party provides cost savings and efficiency due to established trust, reduced negotiation time, and logistical convenience.

- Strategic Fit: The related party possesses specialized expertise/resources that align with the Company's long-term strategic objectives.

- Arm's Length Basis: The terms and conditions of the transactions are comparable to prevailing market rates and are conducted on arm's length basis and in the ordinary course of business.

- Transparency & Governance: The transactions have been reviewed and approved by the Audit Committee and the Board of Directors have also taken note, ensuring compliance with statutory requirements of the Act and the rules made thereunder and safeguarding the interests of shareholders.

The disclosures relating to related party transactions, as applicable to the Company under the Companies Act, 2013 and the SEBI Listing Regulations, have been made in the financial statements forming part of this Annual Report. (Refer Note no. 40 to the standalone financial statements and Note no. 39 to the consolidated financial statement.)

22. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Board of Directors of the Company has developed an Internal Financial Control System as referred to under Section 134(3)(q) of the Act read with Rule 8(5)(c)(viii) of Companies (Accounts) Rules, 2014. The Company has an internal financial control system commensurate with the size, scale, and complexity of its operations. The Board of Directors has laid down standard processes and procedures for implementing the internal financial controls across the organization.

After considering the framework of existing internal financial controls and compliance systems, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements pursued by the Directors are considered sufficient, and no reportable material weakness in the design or operation was observed.

Based on the internal control over financial reporting criteria established by the Company and considering the essential components of internal control and also considering its inherent limitations with reference to financial statements, the Auditors of the Company have certified that the internal financial controls system with reference to financial statements were adequate in all material respect and are operating effectively.

23. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Except as disclosed elsewhere in this Annual Report, there have been no material changes or commitments affecting the financial position of the Company between 31st March 2026 and the date of this Report. The changes in the composition of the Board and appointment of the Secretarial Auditor subsequent to the financial year-end have been appropriately disclosed in this Report. (For the details with respect to contingencies refer Note no. 37 to the standalone financial statements and Note no. 36 to the consolidated financial statement.)

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Account) Rules, 2014, with respect to conservation of

Energy, Technology absorption, Foreign exchange earnings and outgo, as required to be disclosed under the Act, is provided in **Annexure-II** to this report.

25. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Risk Management is the process of identification, assessment, and prioritization of risks followed by coordinated efforts to minimize, monitor, and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

Your Company has laid down a comprehensive risk assessment and minimization procedure in accordance with the requirements of the Act and the SEBI Listing Regulations, which is reviewed and approved by the Board from time to time. This procedure is reviewed to ensure that the executive management controls risk through means of a properly defined framework.

The Company has taken and ensured all the necessary care with respect to threats which may affect the existence of the Company. A Risk Management Policy in this regard is in place. In the opinion of the Board, risks that may threaten the existence of the Company are minimal.

26. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

Based on the financial statements for the year ended 31st March 2025, there was no statutory CSR obligation for this financial year. During the Year under review the provisions of section 135 of the Companies Act 2013 was not applicable to the Company.

However, in the absence of a mandatory requirement, the company voluntarily undertook CSR activities in alignment with its CSR policy as below:

(Amount in INR Crores)

Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes /No)	Location of the project. State District	Amount spent for the project.	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency Name CSR Registration Number
Operation and maintenance of Senior Citizens Community Centre, Pune	Setting up old age homes, day care centers and such other facilities for senior citizens	Yes	Pune Maharashtra	0.19	No	Yes. Aquapharm Foundation CSR00013234

Further during the year under review the Company has transferred an unspent amount of ₹ 3.44 crore on 03-09-2025 to ongoing project of the Company. The project is in accordance with Schedule VII of the Companies Act, 2013.

27. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND THEIR POSITION & FINANCIAL PERFORMANCE:

Your Company is a subsidiary of PCBL Chemical Limited. Your Company has the following subsidiaries:

i. The Company has a wholly owned subsidiary in the Netherlands, named "Aquapharm Europe B.V.," which was established in February 2015.
ii. The Company has a wholly owned subsidiary in the United States of America named "Aquapharm Chemicals LLC," which was established in July 2017. This is a Delaware Limited Liability Company. This subsidiary is a holding company of "Aquapharm PChem LLC" with 100% holding and "Aquapharm Specialty Chemicals, LLC" with 100% holding.
iii. The Company holds 95% shares in a company based in Saudi Arabia named "Unique Solutions for Chemical Industries Company." Further, "Unique Solutions for Chemical Industries Company" has a subsidiary named "USCI LLC" in the United Arab Emirates.
iv. The Company has another wholly owned subsidiary Company named "Aquapharm Foundation," a Section 8 company in India.

There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act.

Pursuant to the provisions of Sections 129, 134, and 136 of the Act read with rules made thereunder and Regulation 53 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of your Company and a separate statement containing the salient features of financial statement of its Subsidiaries, Joint Ventures and Associates are given in **Annexure-III** (in Form AOC -1), which forms part of this Annual Report.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours till the date of the AGM of the Company. The financial statements of the subsidiary companies shall also be kept open for inspection by any shareholder during working hours at your Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements and related information of your Company and audited accounts of each of its subsidiaries, are available on the website of your Company at www.aquapharm-india.com.

28. PUBLIC DEPOSITS:

The Company has not invited and/ or accepted any deposits within the meaning as provided in the Companies Act, 2013, from the public during the year under review.

29. **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES:**

Your Company has adopted a Vigil Mechanism Policy / Whistle Blower Policy and has established the necessary vigil mechanism for Directors and Employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimisation of whistle blowers who avail of the mechanism and provides for direct access to the Chairperson of the Audit Committee in exceptional cases. No person has been denied access to the Chairperson of the Audit Committee. The said policy is uploaded on your Company's website and may be accessed at the following link: www.aquapharm-india.com.

During the financial year ended on 31st March 2026, your Company has not received any complaint under the vigil mechanism / whistle blower policy.

30. **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder and all employees are aware of it.

The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment where employees feel secure.

During the period under review, no cases were filed pursuant to the Sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Further, the Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an anti-sexual harassment policy in line with the requirements of the sexual harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further the Company was committed to providing a safe and conducive work environment to its employees during the year under review. Directors of the Company further state that during the year under review, there were no cases filed pursuant to the sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Details of complaints relating to sexual harassment received / pending / disposed during the financial year 2025-26 are as follows:

(a) number of complaints of sexual harassment received in the year: 0
(b) number of complaints disposed off during the year: 0
(c) number of cases pending for more than ninety days: 0

31. DISCLOSURE WITH RESPECT TO THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961:

The Company is in compliance with the provisions relating to the Maternity Benefit Act, 1961.

32. DETAILS OF EMPLOYEES:

Number of employees as on 31st March 2026 is as follows:

MALE EMPLOYEES	FEMALE EMPLOYEES	TRANSGENDER EMPLOYEES
302	23	NIL

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the Regulators, Courts or Tribunals impacting the going concern status and the Company's operations in future.

34. INSOLVENCY AND BANKRUPTCY CODE UPDATE:

No application has been made / No proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

35. VALUATION FOR ONE TIME SETTLEMENT WITH BANK AND FINANCIAL INSTITUTION:

The Company has not made any valuation for one-time settlement with Banks and Financial Institutions. Hence, there is no reason for elaboration on the said aspect.

36. CREDIT RATINGS:

During the year under review, CRISIL Ratings reaffirmed the credit rating of the Company's Non-Convertible Debentures at CRISIL AA with a Negative Outlook. The rating of the Company's bank loan facilities of ₹1,100 crore was also reaffirmed at CRISIL AA/Negative. There was no delay or default in payment of principal or interest in respect of the listed Non-Convertible Debentures during the financial year under review.

37. NON-CONVERTIBLE DEBENTURES AND DEBT LISTING:

The Company has outstanding rated, listed, secured and redeemable Non-Convertible Debentures of an aggregate original issue size of ₹550 crore, issued on private placement basis on 29th January 2024 and listed on BSE Limited on 31st January 2024. During the financial year 2025-26, the Company repaid part of the principal amount, pursuant to which the face value of each NCD was reduced from ₹85,000 to ₹70,000. The NCDs continue to remain listed on BSE Limited and are secured in accordance with the terms of the issue and the Debenture Trust Deed.

38. DEBT SERVICING / NCD COMPLIANCE:

The Company has duly serviced its obligations in respect of the listed Non-Convertible Debentures during the financial year under review. The Company has complied with the applicable terms and conditions of the issue, including payment of interest and repayment of principal, maintenance of security cover and other applicable covenants, subject to disclosures, if any, contained in the financial statements and other sections of this Annual Report.

39. LISTING:

The Company has listed its Non-Convertible Debentures on 31st January 2024 on the BSE Limited (BSE). The Company has paid the requisite listing fees to the Stock Exchange for FY 2025-26.

40. SECURITY COVER:

The Company has maintained the security cover in respect of its secured listed Non-Convertible Debentures in accordance with the terms of the issue documents and applicable regulatory requirements. The details of security cover, including the extent and nature of security created and maintained, are disclosed in the relevant financial results and certificates/filings made with the Stock Exchange and the Debenture Trustee, as applicable.

41. NCD HOLDER / INVESTOR GRIEVANCE DISCLOSURE:

During the financial year under review, the Company maintained appropriate mechanisms for addressing grievances of holders of Non-Convertible Debentures and complied with the applicable requirements relating to investor grievance redressal. The status of complaints received and resolved during the year, if any, is disclosed in the relevant statutory/regulatory filings.

The Annual Report of the Company is made available to the holders of listed Non-Convertible Debentures in accordance with the applicable provisions of the SEBI Listing Regulations. The Annual Report is also made available on the website of the Company and is filed with the Stock Exchange and provided to the Debenture Trustee, as applicable.

42. DEBENTURE TRUSTEE:

The Company has appointed Catalyst Trusteeship Limited as the Debenture Trustee in respect of the listed Non-Convertible Debentures. The Company has complied with the applicable provisions of the Debenture Trust Deed and the requirements applicable to the Debenture Trustee. No material deviation or non-compliance has been reported by the Debenture Trustee during the financial year under review, subject to the disclosures made elsewhere in this Annual Report.

43. DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

The statement containing particulars of employees, as required under Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this Annual Report. However, in terms of Section 136 of the Act, the Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to your Company Secretary & Compliance officer in this regard at damle.jayesh@aquapharm.net.

44. BOARD EVALUATION:

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the performance of Independent Directors and other Directors individually, as well as the evaluation of the working of its committees for the financial year 2025-26. The evaluation has been carried out based on the criteria defined by the Nomination & Remuneration Committee.

Based on the evaluation, Company expects the Board and the Directors to continue to play a constructive and meaningful role in creating value for all the stakeholders in the ensuing years.

45. KEY FINANCIAL RATIOS:

Key Financial Ratios for the financial year ended 31st March 2026, forms part of the Financial Report (refer note 45 of standalone financial statement).

46. CORPORATE GOVERNANCE:

The Company is committed to maintaining high standards of Corporate Governance and transparency and has put in place appropriate governance systems and processes commensurate with the nature and scale of its operations and applicable regulatory requirements. The Company has duly complied with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as applicable to the Company.

47. COMMITTEES OF BOARD:

- AUDIT COMMITTEE

  The Company has a duly constituted an Audit Committee in accordance with the provisions of section 177 along with rules prescribed under the Companies Act, 2013.

  The composition of the Committee as on 31.03.2026 is as follows:

Name	Capacity	Designation
Ms. Kusum Dadoo	Non-Executive - Independent Director	Chairperson
Ms. Iram Hassan	Non-Executive - Independent Director	Member
Mr. Kaushik Roy	Non-Executive - Non-Independent Director	Member

The Audit Committee met Eight (8) times during the year under review. The intervening gap between two consecutive meetings did not exceed prescribed time under the Act.

- NOMINATION AND REMUNERATION COMMITTEE

The Company has a duly constituted a Nomination and Remuneration Committee in accordance with the provisions of section 178 along with rules prescribed under the Companies Act, 2013.

The composition of the Committee as on 31.03.2026 is as follows:

Name	Capacity	Designation
Ms. Kusum Dadoo	Non-Executive - Independent Director	Chairperson
Ms. Iram Hassan	Non-Executive - Independent Director	Member
Mr. Kaushik Roy	Non-Executive - Non-Independent Director	Member

The Nomination and Remuneration Committee met Two (2) times during the year under review. The intervening gap between two consecutive meetings did not exceed prescribed time under the Act.

- STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has a duly constituted a Stakeholders Relationship Committee in accordance with the provisions of section 178 along with rules prescribed under the Companies Act, 2013.

The composition of the Committee as on 31.03.2026 is as follows:

Name	Capacity	Designation
Ms. Iram Hassan	Non-Executive - Independent Director	Chairperson
Ms. Kusum Dadoo	Non-Executive - Independent Director	Member
Mr. Kaushik Roy	Non-Executive - Non-Independent Director	Member

The Stakeholders Relationship Committee met One (1) time during the year under review. The intervening gap between two consecutive meetings did not exceed prescribed time under the Act.

- RISK MANAGEMENT COMMITTEE

The Company has a duly constituted a Risk Management Committee.

The composition of the Committee as on 31.03.2026 is as follows:

Name	Capacity	Designation
Ms. Iram Hassan	Non-Executive - Independent Director	Chairperson
Mr. Gopal Rathi	Non-Executive - Non-Independent Director	Member

Mr. Kaushik Roy	Non-Executive - Non-Independent Director	Member

The Risk Management Committee met Two (2) time during the year under review. The intervening gap between two consecutive meetings did not exceed the prescribed time under the Act and the SEBI Listing Regulations.

- CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has a duly constituted a Corporate Social Responsibility Committee in accordance with the provisions of section 135 along with rules prescribed under the Companies Act, 2013.

The composition of the Committee as on 31.03.2026 is as follows:

Name	Capacity	Designation
Mr. Kaushik Roy	Non-Executive - Non-Independent Director	Chairperson
Mr. Gopal Rathi	Non-Executive - Non-Independent Director	Member
Ms. Kusum Dadoo	Non-Executive - Independent Director	Member

The Corporate Social Responsibility Committee met Two (2) time during the year under review. The intervening gap between two consecutive meetings did not exceed prescribed time under the Act.

48. GENERAL:

During the financial year 2025-26, no complaints relating to child labour, forced labour, or involuntary labour were received by the Company.

49. ACKNOWLEDGEMENTS:

Directors wish to take the opportunity to place on record their sincere appreciation and gratitude for the continued assistance, support, and cooperations extended by all Government Authorities, Banks, Purchasers, Customers, Suppliers, Auditors and other business associates, and last but not the least the members of the Company.

Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's Executives and Employees without whose help, cooperation and hard work the Company would not have been able to achieve the results.

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited
(formerly known as Advaya Chemical Industries Limited)

	SD/-	SD/-
	Gopal Rathi	Ganesh Vishwanathan
	Director	Whole Time Director & Chief Financial Officer
Date: 07-08-2026	DIN: 00553066	DIN: 11259872

Form No. AOC-2

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 arms length transactions under fourth proviso thereto

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

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

Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Not Applicable
Name(s) of the related party	
Nature of relationship	
Nature of contracts/ arrangements/ transactions	
Duration of the contracts / arrangements/ transactions	
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board (DD/MM/YYYY)	
Amount paid as advances, if any	
Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)	
SRN of MGT-14	

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

I.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	802807894
Name(s) of the related party	Aquapharm PChem LLC, USA
Nature of relationship	(Subsidiary of Aquapharm Chemical LLC, USA, which is a wholly owned subsidiary of the Company)
Nature of contracts/ arrangements/ transactions	Services rendered
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	20.52
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

II.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	803694217
Name(s) of the related party	Aquapharm Specialty Chemicals LLC, USA
Nature of relationship	(Subsidiary of Aquapharm Chemical LLC, USA, which is a wholly owned subsidiary of the Company)
Nature of contracts/ arrangements/ transactions	Services rendered
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	3.49
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

III.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	803694217
Name(s) of the related party	Aquapharm Specialty Chemicals LLC, USA
Nature of relationship	(Subsidiary of Aquapharm Chemical LLC, USA, which is a wholly owned subsidiary of the Company)
Nature of contracts/ arrangements/ transactions	Purchase of Goods
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	2.62
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

IV.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	803694217
Name(s) of the related party	Aquapharm Specialty Chemicals LLC, USA
Nature of relationship	(Subsidiary of Aquapharm Chemical LLC, USA, which is a wholly owned subsidiary of the Company)
Nature of contracts/ arrangements/ transactions	Sale of Goods
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	105.69
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

V.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	62601075
Name(s) of the related party	Aquapharm Europe B.V.
Nature of relationship	(Wholly owned Subsidiary of the company)
Nature of contracts/ arrangements/ transactions	Services rendered
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	7.04
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

VI.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	62601075
Name(s) of the related party	Aquapharm Europe B.V.
Nature of relationship	(Wholly owned Subsidiary of the company)
Nature of contracts/ arrangements/ transactions	Sale of Goods
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	152.72
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

VII.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	4030206639
Name(s) of the related party	Unique Solutions for Chemicals Industries Co.
Nature of relationship	(Subsidiary of the company)
Nature of contracts/ arrangements/ transactions	Sale of Goods
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	11.25
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

VIII.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	L23109WB1960PLC024602
Name(s) of the related party	PCBL Chemical Limited
Nature of relationship	(Holding company)
Nature of contracts/ arrangements/ transactions	Sale of Rodtep Scripts
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	1.15
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

IX.

Corporate identity number (CIN) or Foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U51909WB2010PTC149064
Name(s) of the related party	RPSG Resources Private Limited
Nature of relationship	(Company under Common Control)
Nature of contracts/ arrangements/ transactions	License Fees
Duration of the contracts / arrangements/ transactions	5 Years
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	12.50
Date of approval by the Board (DD/MM/YYYY)	27/03/2025
Amount paid as advances, if any	N.A.

All the transactions were in the ordinary course of business and at arm's length basis. There were no specific contracts executed.

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited
(formerly known as Advaya Chemical Industries Limited)

SD/-
Gopal Rathi
Director
DIN: 00553066

SD/-
Ganesh Vishwanathan
Whole Time Director &
Chief Financial Officer
DIN: 11259872

Date: 07-08-2026

The particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo required under the Companies (Accounts) Rules, 2014, are as follows:

A. CONSERVATION OF ENERGY:

(i.) The steps taken to Conserve Energy-

The Company is committed to reducing Natural Resource Utilization through a program of Energy Conservation via structured & sustainable improvement process. The units, of Mahad, Pirangut & Bhosari, have undertaken several programs. Key programs are listed below:

❖ **<u>Mahad Plant:</u>**

➢ Rainwater harvesting to reduce specific water consumption.

- Year 2022-23 = 21,614 Cu. M
- Year 2023-24 = 28,600 Cu. M.
- Year 2024-25 = 34,494 Cu. M.
- Year 2025-26 = 30,473 Cu. M.

➢ Reduction in coal consumption by using clinked fuel additive.

- Year 2023-24 = 275 MT – Coal saved – Cons. ratio 0.11 kg/kg.
- Year 2024-25 = 326 MT – Coal Saved – Cons. ratio 0.11 kg/kg.
- Year 2025-26 = 0 MT – Coal Saved – Cons. ratio 0.11 kg/kg.
  (Note- Most of the coal used in FY 2025-26 of low calorific value)

➢ Installation of Variable Frequency Drive for ID & FD fan of Coal fire boiler for power saving.

- Year 2023-24 = 3,09,000 Units.
- Year 2024-25 = 3,14,000 Units.
- Year 2025-26 = 1,36,150 Units.

➢ Temperature transmitter installed to interlock cooling tower fan to optimize power consumption in winter & monsoon season.

➢ Specific power consumption reduced from.

- Year 2023-24 = 178 to 163 kWh/MT of product.
- Year 2024-25 = 163 to 158 kWh/MT of product.
- Year 2025-26 = 158 to 152 kWh/MT of product.

➢ Specific water consumption reduced from:

- Year 2023-24 = 2.41 to 2.16 Cub M/ MT of product.
- Year 2024-25 = 2.16 to 2.06 Cub M/ MT of product.

- Year 2025-26 = 2.06 to 1.91 Cub M/ MT of product.

➢ Action initiated in year 2025-26:

- In GLDA plant, 8-10 KLD condensate is now recovered & reused in the boiler since March 2026. Earlier, this condensate was going to the cooling tower.

❖ **Pirangut Plant:**

➢ Process optimized to reduce the batch cycle time & specific utility consumption of each product.

➢ Energy saved by using the tanker's own pump to unload Furnace Oil (FO) or LSHS instead of relying on facility-based unloading pumps.

➢ Rainwater harvesting:

- Year 2022-23 = 450 Cu. M.
- Year 2023-24 = 480 Cu. M.
- Year 2024-25 = 505 Cu. M.
- Year 2025-26 = 351 Cu. M.

➢ Action initiated in year 2025-26:

- In February 2026, replaced 11 normal fans with BLDC fans. BLDC (Brushless Direct Current) fans are energy-efficient & consume 50%–65% less electricity (25–35 W) compared to normal AC fans (70–80 W), resulting in power savings and reduced energy consumption.

(ii.) The steps taken by the Company for utilizing alternate sources of energy:

❖ **Windmill/Solar Installation:**

Taluka Jath, Dist. Sangali. Power generation from windmill/solar for year as follows:

- Year 2022-23 = 33,02,240 units. (Windmill)
- Year 2023-24 = 36,13,772 units. (Windmill)
- Year 2024-25 = 34,66,883 units. (Windmill)
- Year 2025-26 = 29,06,964 units {1,96,245 units (WM) + 27,10,719 units (Third party open access agreement solar & w/m)}

❖ **Solar System Installation**: HO Pune for captive consumption. The power generation from solar system is as follows:

- Year 2022-23 = 44363 units.
- Year 2023-24 = 40000 units.
- Year 2024-25 = 36500 units.
- Year 2025-26 = 38800 units.

- ❖ **Solar System Installation** – at Innovation Center Bhosari. The power generation from solar system is as follows:

    - Year 2022-23 = 13013 units.
    - Year 2023-24 = 29158 units.
    - Year 2024-25 = 48255 units.
    - Year 2025-26 = 42746 units.

(iii.) The capital investment on energy conservation equipment:

- ❖ The Company invested in Windmill in the year 2014-15.
- ❖ The Company invested in Solar System in the year 2015-16 at Registered office.
- ❖ The Company invested in Solar System in the years 2016-17 (10 KVA) & 2023-24 (28 KVA) at New Innovation Centre.
- ❖ The company has done Open Access Agreement with Third party in 2025-26 without any investment.

(iv.) The overall carbon footprint (Scope I) improvement is as follows:

- ❖ 2021-22 = 0.115 kg/MT of product.
- ❖ 2022-23 = 0.151 kg/MT of product.
- ❖ 2023-24 = 0.145 kg/MT of product.
- ❖ 2024-25 = 0.147 kg/MT of product.
- ❖ 2025-26 = 0.159 kg/MT of product.

B. Technology Absorption and Research & Development (R&D):

- ➢ The efforts made towards technology absorption.
- ➢ The benefits derived like new product development, product improvement, cost reduction or import substitution.

(i.) <u>Technology Absorption:</u>

R&D has developed new products and formulations for textile applications, paper & pulp, corrosion inhibition, scale control for cooling water, detergents, power generation plants, oil field applications and home & personal care. Some of them are already commercialized and others are ready for commercialization.

(ii.) <u>Research & Development (R&D):</u>

Focus areas for R&D are to develop future technologies for Aquapharm, targeting sustainable growth, exploring new applications and enhancing customer base with total customer satisfaction. Previous year, R&D Innovation Centre made significant progress in following technologies:

- New formulations for paper & pulp, digester & bleaching application.
- New emulsion polymers for textile applications.
- Backward integration of products for sustainable growth and to mitigate market inflation.

- New REACH registration of phosphonates to increase EU customer base.
- Green chelating agents and new formulations with different variants'/forms developed for detergent segment.
- As per market demand, polymer based solid products were developed for detergent/home care applications.
- Several new application areas for existing products are identified with product modifications to meet specific requirements.
- Based on customer demand, new variants of existing phosphonates (salts, % actives, pH variations) were successfully developed.

(iii.) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a) the details of technology imported;	N.A.
b) the year of import;	N.A.
c) whether the technology been fully absorbed;	N.A.
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and the expenditure incurred on Research and Development.	N.A.

(iv.) The expenditure incurred on Research and Development.

(Amount in INR Crores)

	2025-26	2024-25
[1] Capital	0.30	0.38
[2] Revenue	16.23	12.06
Total R&D Expenditure	16.53	12.44
(Percentage of total Turnover)	2.08%	1.62%

C. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Amount in INR Crores)

	2025-26	2024-25
Foreign Exchange earned in terms of actual inflows	608.70	566.27
Foreign Exchange outgo in terms of actual outflows	491.52	490.19

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited
(formerly known as Advaya Chemical Industries Limited)

SD/-
Gopal Rathi
Director
DIN: 00553066

SD/-
Ganesh Vishwanathan
Whole Time Director &
Chief Financial Officer
DIN: 11259872

Date: 07-08-2026

Annexure-III to Board's Report

Form AOC-1

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

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sr. No.	Particulars	1	2	3	4
1.	CIN/any other registration number of subsidiary company	62601075	6492023	4030206639	U85100 PN2019 NPL187407
2.	Name of the subsidiary	Aquapharm Europe B.V.	Aquapharm Chemicals LLC *(Including figures of Aquapharm PChem LLC, USA and* Aquapharm *Specialty Chemicals, LLC)*	Unique Solutions for Chemical Industries Company *(including the figures of USCI LLC)*	Aquapharm Foundation
3.	Date since when subsidiary was acquired / incorporated	06-02-2015	25-07-2017	04-12-2010	22-10-2019
4.	Provisions pursuant to which the company has become a subsidiary	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)
5.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March	April to March	April to March	April to March
6.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	EUR (1 EUR = INR 109.0064)	USD (1 USD = INR 94.6543)	SAR (1 SAR = INR 25.2411)	INR
	(Amount in INR Crores)				
7.	Share capital	0.01	11.71	9.78	0.01
8.	Reserves & surplus	13.68	400.53	(58.83)	6.60
9.	Total assets	88.37	479.17	70.83	6.76
10.	Total Liabilities	74.68	66.93	119.88	0.15
11.	Investments	-	-	-	-
12.	Turnover	199.49	681.53	40.76	0.21
13.	Profit before taxation	9.19	7.91	(3.57)	(0.13)
14.	Provision for taxation	(2.23)	(0.67)	(0.33)	-
15.	Deferred tax	-	3.42	-	-
16.	Profit after taxation	6.96	10.70	(3.90)	(0.13)
17.	Proposed Dividend	-	-	-	-
18.	% of shareholding	100.00%	100.00%	95.00%	100%

The subsidiaries have been audited as per the respective financial years applicable.

1. Names of Subsidiaries which are yet to commence operations: Not Applicable.
2. Names of Subsidiaries which have been liquidated or sold during the year. Not Applicable.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1. Associates: NIL

2. Joint Ventures: NIL

3. Number of associates or joint ventures which are yet to commence operations:
Not Applicable.

4. Number of associates or joint ventures which have been liquidated or have ceased to be associate or joint venture during the year:
Not Applicable.

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited
(formerly known as Advaya Chemical Industries Limited)

	SD/-	SD/-
	Gopal Rathi	Ganesh Vishwanathan
	Director	Whole Time Director &
Date: 07-08-2026	DIN: 00553066	Chief Financial Officer
		DIN: 11259872

Prajot Tungare & Associates
Company Secretaries

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

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

To,
The Members,
Aquapharm Chemical Limited
(Formerly known as Advaya Chemical Industries Limited)
Address: 9th and 10th Floor, Amar Synergy, 12B, Sadhu Vaswani Road,
Pune, Maharashtra, India, 411001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aquapharm Chemical Limited (Formerly known as Advaya Chemical Industries Limited) (‵‵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.

The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents submitted. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted the audit solely on the basis of secretarial compliances and filing done by the Company, under the below mentioned laws.

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 make our report on the basis of our opinion during the audit conducted covering the financial year ended on 31st March 2026, on various secretarial compliances with statutory provisions listed hereunder and on Board processes and compliance mechanism 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;

(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, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *[Not applicable to the Company during the Audit Period]*;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *[Not applicable to the Company during the Audit Period];*

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 *[Not applicable to the Company during the Audit Period];*

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 *[Not applicable to the Company during the Audit Period];*

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 *[Not applicable to the Company during the Audit Period];*

(h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 *[Not applicable to the Company during the Audit Period];*

(i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015; and

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) As per discussion with the officials of the Company, there are no other laws specifically applicable to the Company.

We have also examined secretarial compliances with the applicable clauses of the following:

(i) Secretarial Standard 1 & 2 issued by The Institute of Company Secretaries of India; and

(ii) The Listing Agreements entered into by the Company with Stock Exchange.

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

We further report that:

1. Board of Directors of the Company is duly constituted with proper balance of Directors, Non-Executive Directors and Independent Directors, including Woman Director. Further, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

2. As per information and representation given, we also report that adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days or at any such shorter period (as consented by the directors) in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for active participation at the meeting.

3. As per minutes of the meetings duly recorded and signed by the Chairperson, all decisions were approved unanimously. Accordingly, no dissenting views were recorded.

We further report that the compliances with respect to financial statements (including maintenance of books of account) and laws relating thereto has not been reviewed in this audit since the same has been subject to review under statutory financial audit.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Director of the Company, in our opinion adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

We further report that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter of even date which is annexed as annexure and forms an integral part of this report.

For Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH010200)
(PR No. 7400/2025)

Sd/-

CS Jayesh Parmar
Partner
FCS: 11745
CP No: 17776
UDIN: F011745H001050772

Date: 07/08/2026
Place: Pune

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE FOR 31ST MARCH 2026

To,
The Members,
Aquapharm Chemical Limited
(Formerly known as Advaya Chemical Industries Limited)
Address: 9th and 10th Floor, Amar Synergy, 12B, Sadhu Vaswani Road,
Pune, Maharashtra, India, 411001

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. 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 are 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 Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH010200)
(PR No. 7400/2025)

Sd/-

CS Jayesh Parmar
Partner
FCS: 11745
CP No: 17776
UDIN: F011745H001050772

Date: 07/08/2026
Place: Pune

DETAILS OF THE DEBENTURE TRUSTEE

Name	Catalyst Trusteeship Limited
CIN	U74999PN1997PLC110262
Registered Office	GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Kothrud, Pune, Maharashtra - 411 038
Phone No.	+91 22 4922 0555
Fax No.	+91 (022) 49220505
Email Address	ComplianceCTL-Mumbai@ctltrustee.com
Website Address	https://catalysttrustee.com/

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited
(formerly known as Advaya Chemical Industries Limited)

SD/-
Gopal Rathi
Director
DIN: 00553066

SD/-
Ganesh Vishwanathan
Whole Time Director &
Chief Financial Officer
DIN: 11259872

Date: 07-08-2026

22, Camac Street
3rd Floor, Block 'B'
Kolkata - 700 016, India
Tel : +91 33 6134 4000

INDEPENDENT AUDITOR'S REPORT

To the Members of Aquapharm Chemical Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Aquapharm Chemical Limited ("the Company"), which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the 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 audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition (Refer Note 2.2(a) and Note 27 of the Standalone Financial Statements)	
The Company's revenue is derived primarily from sale of products. Revenue is recognised net of	Our audit procedures comprised of the following:

Key audit matters	How our audit addressed the key audit matter
taxes and return at an amount that reflects the consideration, which the Company is entitled to receive for those goods from customers when the Company satisfies the performance obligation by transferring the goods or service to a customer. The Company uses different types of delivery terms across its operating markets and this has an impact on the timing of revenue recognition. The performance obligations in the contracts may be fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms. Timing of revenue recognition has been identified as a key audit matter considering there is involvement of judgement in determining of timing of recognizing the revenue / transfer of control. Accordingly, we have identified revenue recognition as a key audit matter.	a. Read and evaluated the Company's policy for revenue recognition and assessed its compliance with "Ind AS 115- Revenue from contracts with customers". b. Assessed the design and tested the operating effectiveness of internal controls related to revenue. c. Verified on test check basis, sales transactions and inspected the underlying sales orders, invoice copies, terms of delivery, lorry receipts, bill of lading as per the terms of the contract with customers. d. Verified on test check basis, sales transactions made close to year-end date. Agreed the period of revenue recognition to underlying documents such as sales orders, invoice copies, terms of delivery, lorry receipts, bill of lading as per the terms of the contract with customers. We have assessed manual journals posted to revenue to identify unusual or irregular items. e. Assessed the adequacy of disclosures in accordance with requirements of Ind AS 115.
Impairment assessment of certain Intangible assets (including Goodwill)- Refer Note 2.2(k) and Note 5(a) of the Standalone Financial Statements	
The acquisition of Aquapharm Chemicals Private Limited by Advaya Chemical Industries Limited ("the Company") in an earlier year and thereafter amalgamation of Aquapharm Chemicals Private Limited with the Company has resulted in recognition of goodwill (March 31, 2026- Rs. 606.57 crores) arising from business combinations and capitalization of certain identified intangible assets (including customer relationships- Rs. 1,562.72 crores, know-how and Intellectual Property rights- Rs. 417.18 crores). For assessment, the Company has engaged an independent valuer to determine the recoverable value of these Intangible assets (including Goodwill) based on discounted cash flow method which is complex and is sensitive to underlying assumptions especially those relating to cash flow forecasts including future business growth and the application of an appropriate discount rate, which are inherently subjective.	Our audit procedures comprised of the following: a. Obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment of such Intangible assets. b. Obtained and read the report of the management's expert to evaluate the reasonableness of the methodology and key assumptions used by management and its expert used for impairment testing of certain Intangible assets (including Goodwill). Evaluated the competence, objectivity and independence of the management's expert. c. In performing the above procedures, we involved internal valuation specialists to perform an independent review of methodology and key assumptions (relating to cash flow forecasts, discount rate etc)

S.R. Batliboi & Co. LLP

Key audit matters	How our audit addressed the key audit matter
Accordingly, impairment assessment of certain Intangible assets (including Goodwill) is determined to be a key audit matter in our audit of the standalone financial statements.	used in the valuation. We also evaluated the objectivity and competence of such internal valuation specialists involved in such independent review. d. Obtained suitable management representations on projections of future cash flows and the various assumptions used in the valuation. Discussed with the management to understand and assess if there was any inconsistency in the assumptions used in the cash flow projections. Evaluated managements sensitivity analysis around the key assumptions. e. Tested the arithmetical accuracy of the financial projections. f. Read and assessed the relevant disclosures made within the standalone financial statements.

We have determined that there are no other key audit matters to communicate in our report.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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

S.R. Batliboi & Co. LLP Kolkata

irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2025, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on April 23, 2025.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 except that (a) the backup of the certain books of account and other books and papers maintained in electronic mode has not been kept on servers physically located in India on daily basis as explained in note 48(iii)(a), and (b) for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g), [refer note 48(iii)(b) to the standalone financial statements];

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors 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;

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Kolkata

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) vi below on reporting under Rule 11(g).

(g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(ii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled for certain changes

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made, if any, using privileged/ administrative access rights, as described in note 48(iii)(b) to the standalone financial statements. Additionally, in the absence of Service Organisation Controls report, we are unable to assess whether the audit trail at database level was enabled as per the statutory requirements, as described in note 48(iii)(b) to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership Number: 066943
UDIN: 26066943IJTATR2396
Place of Signature: Mumbai
Date: April 23, 2026

S.R. Batliboi & Co. LLP
Kolkata

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Aquapharm Chemical Limited Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(i)(b) The Company has verified part of its Property Plant and Equipment during the year in accordance with its regular programme of verification of these assets whereby all the assets are physically verified over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i)(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the standalone financial statements included in Property, Plant and Equipment are held in the name of the Company, except for the following:

Description of Property	Gross carrying value in Rs. crores	Held in name of	Whether promoter/director/ relative/ employee	Period held	Reason for not being held in name of Company
Freehold Land-Pirangut	24.62	Erstwhile Company	No	2024	Refer Note 4(a) of the standalone financial statements
Freehold Land- Sangli	0.53	Erstwhile Company	No	2024	
Building-Head office, Pune	26.03	Erstwhile Company	No	2024	Refer Note 4(a) of the standalone financial statements
Leasehold Land- Mahad	3.94	Erstwhile Company	No	2024	Refer Note 4(a) of the standalone financial statements
Leasehold Land- Mahad	7.70	Erstwhile Company	No	2024	
Leasehold Land-Bhosari	26.98	Erstwhile Company	No	2024	
Leasehold Land- Mahad	11.61	Erstwhile Company	No	2024	
Leasehold Land- Mahad	2.98	Erstwhile Company	No	2024	
Leasehold Land-Housing Colony, Mahad	3.87	Erstwhile Company	No	2024	

Right of Use assets- Guest house, Pune	0.61	Erstwhile Company	No	2024	Refer Note 4(a) of the standalone financial statements

(i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(i)(e) As represented to us by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No material discrepancies were noticed on such physical verification.

(ii)(b) As disclosed in note 22 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. The balance outstanding in respect of loans and guarantees provided in earlier years as at March 31, 2026 are as follows:

Particulars	Loans	Guarantees
Aggregate amount granted/provided during the current year	-	-
Balance outstanding as at March 31, 2026		
- Subsidiary	29.78	47.33

(iii)(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company and hence not commented upon.

(iii)(c) In respect of loans granted to a subsidiary, the schedule of repayment of principal and payment of interest has been stipulated and accordingly, there was no principal and interest amount that has fallen due in the current year.

(iii)(d) The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year. There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(iii)(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

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(iii)(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) The Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. Provisions of section 186 of the Companies Act 2013 in respect of loans given, investments made and, guarantees and securities given have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture and sale of specialty chemicals, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii)(b) The dues of goods and services tax, income-tax, service tax, duty of custom, and other statutory dues, not deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Gross demand (Rs. in crores)	Deposit under protest (Rs. in crores)	Net demand (Rs. in crores)	Period to which the amount relates	Forum where the dispute is pending
CGST Act, 2017	Goods and services Tax	1.60	0.38	1.22	2017-18	Assistant Commissioner, CGST, Division VI, Pune
CGST Act, 2017	Goods and services Tax	0.02	-	0.02	2018-19	Assistant Commissioner, CGST, Division VI, Pune
Central Excise Act, 1944	Excise Duty	0.14	0.01	0.13	March 2015-December	Customs, Excise and Service Tax Appellate Tribunal,

					2016	Mumbai
Central Excise Act, 1944	Excise Duty	0.05	-	0.05	January 2017- June 2017	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	2.20	-	2.20	April 2017- June 2017	Deputy Director, Cost GST & Central Excise, (Raigad Audit)
Finance Act, 1994	Service Tax	0.02	-	0.02	October 2012- March 2013	Office of Superintendent of CGST, Central Excise, Range I, Division II, Raigad
Finance Act, 1994	Service Tax	3.62	0.18	3.44	December 2011- November 2016	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	0.06	-	0.06	December 2011- March 2016	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
The Income Tax Act, 1961	Income Tax	0.01	-	0.01	AY 2014-15	CPC (Centralised Processing Centre)
The Income Tax Act, 1961	Income Tax	0.11	-	0.11	AY 2022-23	Commissioner of Income Tax (Appeals)

(viii) As represented to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix)(b) As represented to us by the management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) Based on an overall examination of the Balance Sheet and information, explanations and representations provided to us, term loans were applied for the purpose for which they were obtained.

(ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix)(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture during the year.

(ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture during the year. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) As represented to us by the management, no material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi)(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(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 as per the provisions of the Act. Therefore, the requirement to report on clauses 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

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

(xiv)(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) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi)(d) As represented to us by the management, the Group has 4 Core Investment Companies as a part of the Group.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) The provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(xx)(b) The provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Jai Prakash Yadav

S.R. Batliboi & Co. LLP Kolkata

per Jai Prakash Yadav
Partner
Membership Number: 066943
UDIN: 26066943IJTATR2396
Place of Signature: Mumbai
Date: April 23, 2026

Annexure '2' To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Aquapharm Chemical Limited

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

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

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 these standalone financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership Number: 066943
UDIN: 26066943IJTATR2396
Place of Signature: Mumbai
Date: April 23, 2026

S.R. Batliboi & Co. LLP
Kolkata

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Standalone Balance Sheet as at 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current Assets			
Property, plant and equipment	4a	641.31	355.35
Capital work-in-progress	4b	7.79	286.48
Goodwill	5a	606.57	606.57
Other intangible assets	5b	1,979.93	2,072.28
Right of use assets	4c	55.83	56.79
Financial assets			
(i) Investments	6	273.90	273.90
(ii) Loans	7	8.36	8.14
(iii) Other financial assets	8	6.13	5.75
Non current tax assets (net)	21	10.15	4.98
Deferred tax assets (net)	20	23.65	-
Other non-current assets	9	3.77	0.94
Total Non-current Assets		**3,617.39**	**3,671.18**
Current Assets			
Inventories	10	124.73	223.51
Financial assets			
(i) Trade receivables	11	183.27	195.18
(ii) Cash and cash equivalents	12	43.54	38.54
(iii) Other bank balances	13	1.32	7.93
(iv) Other financial assets	14	17.04	16.13
Other current assets	15	18.39	35.82
Total Current Assets		**388.29**	**517.11**
Total Assets		**4,005.68**	**4,188.29**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	2,850.00	2,850.00
Other equity	17	(199.15)	(114.06)
Total Equity		**2,650.85**	**2,735.94**
Liabilities			
Non-current Liabilities			
Financial liabilities			
i) Borrowings	18	727.64	823.64
ii) Lease Liabilities	4d	0.08	0.29
Provisions	19	11.17	1.35
Deferred tax liabilities (net)	20	-	2.56
Total Non-current Liabilities		**738.89**	**827.84**
Current Liabilities			
Financial liabilities			
i) Borrowings	22	395.58	279.62
ii) Lease Liabilities	4d	0.24	0.22
iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	23	4.87	3.84
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	81.07	146.37
iv) Other financial liabilities	24	119.72	178.86
Provisions	25	6.91	5.79
Other current liabilities	26	7.55	9.81
Total Current Liabilities		**615.94**	**624.51**
Total Liabilities		**1,354.83**	**1,452.35**
Total Equity & Liabilities		**4,005.68**	**4,188.29**

Summary of material accounting policy information 2
The accompanying notes form an integral part of Standalone Financial Statements.

This is Standalone Balance Sheet referred to in our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Standalone Statement of Profit and Loss for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
Revenue from operations	27	793.23	766.99
Other income	28	25.84	26.24
Total income		**819.07**	**793.23**
Expenses			
Cost of raw materials consumed	29	447.37	458.73
Changes in inventories of finished goods & work-in-progress	30	19.52	0.36
Employee benefits expense	31	73.14	64.79
Finance costs	32	102.57	104.03
Depreciation and amortization expense	33	128.55	114.11
Other expenses	34	152.89	149.62
Total expenses		**924.04**	**891.64**
Loss before tax and exceptional items		**(104.97)**	**(98.41)**
Exceptional items :			
Impairment of Goodwill (refer note 47)		-	554.72
Reversal of deferred tax liability pursuant to restructuring (refer note 47)		-	(554.20)
Impact of change in labour codes (refer note 46)		11.54	-
Total exceptional items		**11.54**	**0.52**
Loss before tax		**(116.51)**	**(98.93)**
Income tax expense:			
Current tax	21	-	-
Deferred tax	20	(28.40)	(20.91)
Tax expense/(credit) relating to earlier years	21	(2.77)	-
Total tax expense / (credit)		**(31.17)**	**(20.91)**
Loss for the year		**(85.34)**	**(78.02)**
Other Comprehensive Income / (Loss) (OCI)			
Items that will not be reclassified to profit or loss (A)			
Remeasurements of post employment defined benefit plans		0.34	0.22
Income tax relating to above	20	(0.09)	(0.05)
Total (A)		**0.25**	**0.17**
Items that will be reclassified to profit or loss (B)			
Net movement on cash flow hedges		-	0.22
Income tax relating to above	20	-	(0.06)
Total (B)		**-**	**0.16**
Other comprehensive income / (loss) for the year, net of tax (A+B)		**0.25**	**0.33**
Total comprehensive Loss for the year		**(85.09)**	**(77.69)**
Earnings per equity share :			
Basic Loss Per Share (LPS) (in INR)	41	(0.30)	(1.87)
Diluted Loss Per Share (LPS) (in INR)	41	(0.30)	(1.87)
(Nominal value per share: INR 10 (31st March 2025: INR 10))			

Summary of material accounting policy information 2
The accompanying notes form an integral part of Standalone Financial Statements.

This is Standalone Statement of Profit and Loss referred to in our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Standalone Statement of Changes in Equity for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

A Equity Share Capital

	Note no	No. of shares (Units)	Amount
Equity Shares of INR 10 each issued, subscribed and fully paid up			
As at 1st April 2024		10,00,00,000	100.00
Shares issued during the year	16	2,75,00,00,000	2,750.00
As at 31st March 2025		**2,85,00,00,000**	**2,850.00**
Shares issued during the year	16	-	
As at 31st March 2026		2,85,00,00,000	2,850.00

B Other Equity

	Reserves and surplus	Other reserves	Total
	Retained earnings	Cash flow hedge reserve (Through other comprehensive income)	
As at 1st April 2024	**(36.22)**	**(0.16)**	**(36.38)**
Loss for the year	(78.02)	-	(78.02)
Other Comprehensive Income / (Loss) for the year (net of tax)	0.17	-	0.17
Transferred to Statement of profit and loss (Net)	-	0.16	0.16
As at 31st March 2025	**(114.06)**	**-**	**(114.06)**
Loss for the year	(85.34)	-	(85.34)
Other Comprehensive Income / (Loss) for the year (net of tax)	0.25	-	0.25
As at 31st March 2026	**(199.15)**	**-**	**(199.15)**

The accompanying notes form an integral part of Standalone Financial Statements.

This is Standalone Statement of Changes in Equity referred to in our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

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Date: 23rd April 2026

Jayesh Damle
Company Secretary
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Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Standalone Statement of Cash flows for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
A. Cash flows from operating activities		
Loss before tax	(116.51)	(98.93)
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	128.55	114.11
Net movement in exceptional items (refer note 46 and 47)	11.54	0.52
Impairment provision for loan given to subsidiary	2.63	-
(Profit) / Loss on sale of property, plant and equipment	(0.61)	(0.09)
(Profit) / Loss on sale of investments	(0.55)	(3.18)
Finance costs	102.57	104.03
Interest income	(1.15)	(3.12)
Unrealized foreign exchange difference (net)	(8.62)	(5.07)
Operating profit before working capital changes	**117.85**	**108.27**
Changes in operating assets and liabilities		
Decrease/(Increase) in trade receivable	19.26	7.34
Decrease/(Increase) in inventories	98.78	(69.25)
Decrease/(Increase) in loans given to related parties	-	0.21
Decrease/(Increase) in other financial assets	(0.05)	(5.15)
Decrease/(Increase) in other non current assets	(3.13)	-
Decrease/(Increase) in other current assets	17.44	(11.86)
Increase/(Decrease) in trade payables	(65.14)	65.19
Increase/(Decrease) in provisions	(0.26)	0.34
Increase/(Decrease) in other financial liabilities	(28.55)	6.93
Increase/(Decrease) in other current liabilities	(2.26)	1.37
Cash generated from operating activities	**153.94**	**103.39**
Income tax paid (net of refunds)	(0.30)	(7.14)
Net cash flows generated from operating activities (A)	**153.64**	**96.25**
B. Cash flows from / (used in) investing activities*		
Purchase of property, plant and equipments and intangible assets	(75.64)	(156.22)
Proceeds from sale of property, plant and equipments	1.24	1.44
Purchase of current investments	(348.80)	(191.19)
Proceeds from sale of current investments	349.35	231.23
Net movement in other bank balances	6.61	6.07
Investment in subsidiaries	-	(3.91)
Interest Received	0.77	1.28
Net cash flows used in investing activities (B)	**(66.46)**	**(111.30)**
C. Cash flows from / (used in) financing activities*		
Proceeds from current borrowings	470.23	230.16
Proceeds from non-current borrowings	80.00	148.00
Repayment of current borrowings	(363.36)	(150.61)
Repayment of non-current borrowings	(170.19)	(151.93)
Interest paid	(100.73)	(105.72)
Payment of lease liabilities (refer note 4(d))	(0.22)	(0.12)
Net cash flows generated / (used in) from financing activities (C)	**(84.27)**	**(30.22)**
I.Net increase/(decrease) in cash and cash equivalents (A+B+C)	**2.91**	**(45.27)**
II.Effect of exchange rate change in cash and cash equivalents	**2.09**	**0.28**
III.Cash and cash equivalents as at beginning of the year (refer note 12)	**38.54**	**83.53**
IV.Cash and cash equivalents as at year end (refer note 12) (I+II+III)	**43.54**	**38.54**

*There are no non cash investing and financing activities during the year. For additions to Right of use of assets, refer note 4(c).
Refer note 22 for changes in liabilities arising from financing activities.

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Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Standalone Statement of Cash flows for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Components of cash and cash equivalents:

	As at 31st March 2026	As at 31st March 2025
Balances with banks	43.53	38.51
Cash on hand	0.01	0.03
Total cash and cash equivalents	**43.54**	**38.54**

The accompanying notes form an integral part of Standalone Financial Statements.

This is Standalone Statement of Cash flows referred to in our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

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DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited
Notes to standalone financial statements for the year ended 31st March 2026

1. Corporate information

The standalone financial statement comprise financial statement of Aquapharm Chemical Limited (formerly known as Advaya Chemical Industries Limited) (the Company) (CIN: U20299PN2024PLC227198) for the year ended 31st March 2026. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at 9th and 10th Floor, Amar Synergy, 12B, Sadhu Vaswani Road, Pune, Maharashtra, India. The Company is primarily engaged in the business of manufacturing and sales of basic and special chemicals used in detergents, soaps and other chemical industries. The Company has issued Non-Convertible Debentures (NCD's) which are listed on BSE Limited w.e.f. 31st January 2024. Information on other related party relationship of the Company is provided in note no. 40 to the standalone financial statements.

2. Accounting policies

This note provides a list of the Material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time] and other relevant provisions of the Act. These standalone financial statements have also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act, 2013 (IND AS Compliant Schedule III) as applicable to the standalone financial statements.

The standalone Ind AS financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including Derivative financial instruments)
- Plan assets of defined benefit employee benefit plans

The standalone Ind AS financial statements are presented in Indian Rupees in Crores, except when otherwise indicated. The standalone Ind AS financial statements are prepared on a going concern basis.

Current versus non-current classification
The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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Deferred tax assets and liabilities are classified as non-current assets and liabilities.
Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.2 Material accounting policies

a) Revenue from contracts with customers

Ind AS 115 Revenue from contracts with customers standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

The five-step process that must be applied before revenue can be recognised:

- identify contracts with customers
- identify the separate performance obligation
- determine the transaction price of the contract
- allocate the transaction price to each of the separate performance obligations, and
- recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Company has following streams of revenue:

(i) Sale of goods / products :

The Company recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, alternative use, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time when control has been transferred.

Revenue is measured based on the transaction price, which is the consideration adjusted for price adjustments and sales returns, if any, as specified in the contracts with customers.

Revenue excludes tax collected from customers on behalf of government. Credit period given to customers are in the normal course of business and there are no financing component in the contract.

Contracts are modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract.

(ii) Sale of service :

Revenue from sale of services is recognised when earned on the basis of contractual arrangement with buyer.

Advance from customer is recognised if a payment is received before the Company transfers the related goods or services. This is recognised as revenue when the Company transfers the control of the related goods or services.

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For trade receivable, refer accounting policy in section 2.2 (i).

b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (`the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchanges rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income/other expense.

The Company uses forward contracts to hedge its exposure to movements in foreign exchange rates which are designated as cash flow hedges. To the extent these hedges are effective, the changes in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in cash flow hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

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

c) Income Taxes

Current income tax and Deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax liability is recognised for all taxable temporary differences, except:

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- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by same taxation authorities on either same taxable entity or different taxable entities which intend either to settle the current tax assets and tax liabilities on a net basis or to realise the asset and settle the liability simultaneously.

d) Property, plant and equipment

Freehold land is carried at historical costs. Capital work in progress are carried at historical costs, net of accumulated impairment loss, if any. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. Such historical cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. No decommissioning liabilities are expected to be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

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 can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The Company, based on technical assessments made by technical experts and management estimates, depreciates certain items of property, plant and equipments over estimated

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useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. Table below provide the details of the useful lives considered by Management with comparison with useful lives prescribed under Schedule II of the Companies Act, 2013:

Asset Category	**Useful Life considered#**	**Useful life (Schedule II)**
Factory Building ("Buildings")	30 Years	30 Years
Residential Building ("Buildings")	60 Years	60 Years
Factory Roads ("Buildings)	10 Years	10 Years
Plant and Machinery (Other than Glass Lined Reactors and Condenser)	5-22 Years *	Plant and Machinery for continuous process plant- 25 years
Plant and Machinery (Glass Lined Reactors and Condenser)	5 Years*	Reactors20 Years
Furniture and fixtures	10 Years	10 Years
Computers	3 Years	3 Years
Office equipment	5 Years	5 Years
Electrical installations	10 Years	10 Years
Vehicles	3 Years *	8 Years
Windmill ("Plant and Machinery")	22 Years	22 Years
Laboratory Equipments ("Plant and Machinery")	10 Years	10 Years

* Considered on the basis of management's estimation, along with technical advice, of the useful lives of the respective assets.
# Residual value considered as 5% on the basis of management's estimation, along with technical advice.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used along with consideration of the climate related matters.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

e) Intangible Assets

Goodwill on acquisitions is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, or is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of cash-generating units that are expected to benefit from the

Aquapharm Chemical Limited PUNE

business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The Company does not have any intangible assets with indefinite useful lives.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Computer software are amortised on a straight-line basis over a period of three years.

Customer-related intangibles and product-related intangibles identified as a part of business combination are amortised on a straight-line basis over a period of twenty-five years and twenty years respectively.

Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

f) Leases

As a Lessee:

The Company's lease assets primarily consists of lease for land and buildings. The Company assesses whether a contract contains a lease at the inception of the contract. Rental contracts are typically made for fixed periods, but have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and conditions. In case of lease payments made in advance for the total period of lease, the company does not create any corresponding liability.

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Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property and equipment leases across the company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
Obsolete and slow-moving inventories are identified at the time of physical verification and are provided when necessary.

h) Employee benefit obligations

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly 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.

(ii) Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the balance sheet if the entity does not have an right to defer settlement at the end of reporting period.

(iii) Post-employment obligations
The Company operates the following post-employment schemes:

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(a) Defined benefit plans in the nature of gratuity, and
(b) Defined contribution plans in the nature of provident fund.

Gratuity obligations
The liability or asset recognised in the balance sheet in respect of defined benefit 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 actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR 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.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

i) Trade receivables

Trade receivables are amounts receivable from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless there are significant financing components, when they are recognised at fair value. The company measures trade receivables subsequently at amortised cost using the effective interest method, less loss allowance.

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

j) Investments and Other Financial assets

i) Classification & Recognition:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will

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depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.
The company reclassifies debt investments when and only when its business model for managing those assets changes.
Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commit to purchase or sell the financial asset.

ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables that does not contain a significant financing component are measured at transaction price.

Debt instruments: Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate EIR. The EIR amortisation is included in finance income in the profit or loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses and impairment expenses are presented as separate lines item in the financial statements.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Equity investment in subsidiaries are carried at historical cost as per the accounting policy choice given by Ind AS 27.

iii) Impairment of financial assets

The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The determination of significant increase in credit risk is given in Financial Risk Management note.

iv) Derecognition of financial asset

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is

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derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

k) Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Other Income and other operating revenue

i) Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in other income in the statement of profit and loss.

ii) Dividends
Dividends are recognised in profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

iii) Windmill income – wind power generation
Income from wind power generation is recognised when earned on the basis of contractual arrangement with the buyer.

iv) Export incentives

Export of goods is eligible for incentives from Government as per Import-Export policies declared by the Government from time to time. Company's export products are eligible for Duty drawback and Remission of Duties and Taxes on Exported Products (RODTEP). Rates for duty drawback vary according to products and destinations. The Company recognises duty drawback on receipt basis and RODTEP on accrual basis in the year of export.

m) Provisions and contingent liabilities

General
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the

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Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

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

n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o) Financial liabilities

Trade and other payables

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

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss under other gains/(losses).

Borrowings are classified as current liabilities unless the company has an right to defer settlement of the liability at the end reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

p) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

q) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Segment Reporting

The Company is primarily engaged in the business of manufacturing and sales of basic and special chemicals which is the only reportable business segment (Chemical) in line with the internal reporting to the Chief Operating Decision Maker (CODM). The Board of Directors has been identified as being the CODM. Refer note 39 for segment information presented.

2.3 Other accounting policies

a) Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

b) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

c) Exceptional items

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When the items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items are disclosed separately as exceptional item by the Company.

2.4 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Rules, 2024 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

• What is meant by a right to defer settlement
• That a right to defer must exist at the end of the reporting period
• That classification is unaffected by the likelihood that an entity will exercise its deferral right

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The above amendment does not have any impact on the Company's standalone financial statements.

3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates. Management exercises judgement in applying the company's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.

Defined benefit plans

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase, employee turnover and expected return on planned assets. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. Details about employee benefit obligations and related assumptions are given in Note 36.

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Estimation of expected useful lives and residual values of property, plant and equipment

Property, plant and equipment are depreciated at historical cost using straight-line method based on the estimated useful life, taking into account any residual value. The asset's residual value and useful life are based on the Company's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.

For estimation in relation to impairment of Goodwill, refer note 5 (a) of the Standalone Financial Statement.

For estimation in relation to Deferred tax, refer note 2 (c) of the Standalone Financial Statement.

4 (a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings#	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Electrical Installation	Computers	Total
Gross carrying amount as at 1st April, 2025	**25.15**	**193.01**	**143.66**	**2.97**	**1.65**	**1.49**	**10.39**	**0.53**	**378.85**
Additions during the year	-	14.80	286.91	2.07	-	0.38	16.90	0.81	321.87
Disposals during the year	-	-	(0.14)	-	(1.60)	-	-	-	(1.74)
Gross carrying amount as at 31st March, 2026	**25.15**	**207.81**	**430.43**	**5.04**	**0.05**	**1.87**	**27.29**	**1.34**	**698.98**
Accumulated Depreciation as at 1st April, 2025	-	**6.47**	**13.04**	**0.65**	**0.72**	**0.45**	**1.96**	**0.22**	**23.51**
Charge for the year	-	7.16	23.61	0.70	0.23	0.40	2.87	0.27	35.24
Depreciation on disposals	-	-	(0.14)	-	(0.94)	-	-	-	(1.08)
Accumulated Depreciation as at 31st March, 2026	-	**13.63**	**36.51**	**1.35**	**0.01**	**0.85**	**4.83**	**0.49**	**57.67**
Net carrying amount as at 31st March, 2026	**25.15**	**194.18**	**393.92**	**3.69**	**0.04**	**1.02**	**22.46**	**0.85**	**641.31**

Particulars	Land	Buildings#	Plant and Machinery	Furniture & Fixtures	Vehicles	Office equipment	Electrical Installation	Computers	Total
Gross carrying amount as at 1st April, 2024	**25.15**	**125.67**	**136.25**	**2.92**	**3.65**	**1.46**	**10.15**	**0.39**	**305.65**
Additions during the year	-	67.34	8.08	0.05	-	0.03	0.24	0.14	75.88
Disposals during the year	-	-	(0.67)	-	(2.00)	(0.00)*	-	-	(2.68)
Gross carrying amount as at 31st March, 2025	**25.15**	**193.01**	**143.66**	**2.97**	**1.65**	**1.49**	**10.39**	**0.53**	**378.85**
Accumulated Depreciation as at 1st April, 2024	-	**0.85**	**1.89**	**0.09**	**0.34**	**0.07**	**0.28**	**0.04**	**3.54**
Charge for the year	-	5.62	11.67	0.56	1.29	0.39	1.68	0.18	21.39
Depreciation on disposals	-	-	(0.52)	-	(0.91)	(0.00)*	-	-	(1.43)
Accumulated Depreciation as at 31st March, 2025	-	**6.47**	**13.04**	**0.65**	**0.72**	**0.45**	**1.96**	**0.22**	**23.49**
Net carrying amount as at 31st March, 2025	**25.15**	**186.53**	**130.61**	**2.32**	**0.93**	**1.03**	**8.43**	**0.31**	**355.35**

There are no restrictions over the title of the Company's property, plant and equipment.

Gross carrying amount and accumulated depreciation includes Rs. 180.48 Crores (31st March 2025 - Rs. 165.73 Crores) and Rs. 12.43 Crores (31st March 2025 - Rs. 5.86 Crores), respectively in respect of Buildings on Leasehold Land.

* Amount is below the rounding off norms adopted by the company.

Refer note 18 and 22 for information on property, plant and equipment charged as security by the Company.

Refer note 37 for disclosure of capital commitments for the acquisition of property, plant & equipment.

No proceedings have been initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made there under.
The Company has not revalued its property, plant and equipment during the year ended 31st March 2026 and 31st March 2025.

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4 (b) Capital work-in-progress	31-Mar-26	31-Mar-25
Opening balance as at April 01	286.48	112.50
Additions during the year (refer note 1)	43.18	250.55
Capitalisation during the year	(321.87)	(76.57)
Closing balance as at March 31	**7.79**	**286.48**

Note 1:
During the year, the Company has capitalised the following expenses to cost of property, plant and equipments (capital work in progress):

Particulars	31-Mar-26	31-Mar-25
Employee benefit expense	-	0.91
Interest cost	-	3.69
Other expenses	-	1.61
Total	**-**	**6.21**
Add: balance brought forward from previous year	9.02	2.81
Less: capitalised during the year to Property, plant and equipment	(9.02)	-
Balance forming part of Capital work-in-progress	**-**	**9.02**

Capital work in progress mainly comprises of amounts pertaining to plant and machinery, electrical installation and other assets.

Ageing of capital work-in-progress (CWIP):

CWIP as at 31st March 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	6.93	0.72	0.14	-	7.79

CWIP as at 31st March 2025	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	246.95	35.76	2.60	1.17	286.48

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year ended 31st March 2026 and 31st March 2025. The Company evaluates the completion of projects based on its original plan, which are monitored on an ongoing basis.

There has been no projects that has been temporarily suspended during the year ended 31st March 2026 and 31st March 2025.

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(All amounts are in INR Crores, unless otherwise stated)

4 (c) Right of use assets:

The note provides information for leases where the Company is a lessee. The Company has taken on lease various land parcels. Rental contracts are typically made for fixed periods, but have extension options.

(i) Assets recognised in balance sheet

Particulars	Leasehold Land	Leasehold Bulding	Total
Gross carrying amount as at 1st April, 2025	**57.08**	**0.61**	**57.69**
Additions during the year	-	-	-
Gross carrying amount as at 31st March, 2026	**57.08**	**0.61**	**57.69**
Accumulated Depreciation as at 1st April, 2025	**0.79**	**0.11**	**0.90**
Charge for the year (refer note 33)	0.76	0.20	0.96
Accumulated Depreciation as at 31st March, 2026	**1.55**	**0.31**	**1.86**
Net carrying amount as at 31st March, 2026	**55.53**	**0.30**	**55.83**

Particulars	Leasehold Land	Leasehold Bulding	Total
Gross carrying amount as at 1st April, 2024	**57.00**	**-**	**57.00**
Additions during the year	0.08	0.61	0.69
Gross carrying amount as at 31st March, 2025	**57.08**	**0.61**	**57.69**
Accumulated Depreciation as at 1st April, 2024	**0.10**	**-**	**0.10**
Charge for the year (refer note 33)	0.69	0.11	0.80
Accumulated Depreciation as at 31st March, 2025	**0.79**	**0.11**	**0.90**
Net carrying amount as at 31st March, 2025	**56.29**	**0.50**	**56.79**

The Balance Sheet shows the following amounts relating to lease:

	Gross Block		Net Block	
Particulars	**31-Mar-26**	**31-Mar-25**	**31-Mar-26**	**31-Mar-25**
Right of Use assets				
Leasehold land	57.08	57.08	55.53	56.29
Leasehold building	0.61	0.61	0.30	0.50

The Company has not revalued its Right of Use assets during the year ended 31st March 2026 and 31st March 2025.

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(All amounts are in INR Crores, unless otherwise stated)

4 (d) Lease Liabilities:

The Company has made the payment for the complete period of lease with respect to the leasehold land. The lease liability pertains to buildings taken on lease.

Particulars	31-Mar-26	31-Mar-25
Lease liabilities		
Non-current	0.08	0.29
Current	0.24	0.22
	0.32	**0.51**

Movement of lease liabilities

Particulars	31-Mar-26	31-Mar-25
At the beginning of the year	0.51	-
Addition to lease liabilities during the year	-	0.61
Accretion of interest (refer note 32)	0.03	0.02
Payment/adjustments of lease liabilities	(0.22)	(0.12)
At the end of the year	**0.32**	**0.51**

The table below provides details regarding the contractual maturities of lease liabilities as at the year end on an undiscounted basis :

Particulars	31-Mar-26	31-Mar-25
Less than one year	0.23	0.22
One to five years	0.10	0.34
At the end of the year	**0.33**	**0.56**

(ii) Amount recognised in the Statement of Profit and Loss

Particulars	Note No	31-Mar-26	31-Mar-25
Depreciation on right of use assets			
Leasehold Land	33	0.76	0.69
Leasehold building	33	0.20	0.11
Interest expenses (included in finance cost)	32	0.03	0.02

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4 (a) PROPERTY, PLANT AND EQUIPMENT

Immovable properties whose title deeds are not in the name of the Company included in Property, Plant & Equipment:-

As at 31st March 2026 and 31st March 2025

Description of Property	Gross Carrying value	Held in name of	Property held since	Reason for not being in the name of the Company
Freehold Land- Pirangut	24.62	Erstwhile Company Aquapharm Chemicals Private Limited	2024	The title deeds are in the name of erstwhile company "Aquapharm Chemicals Private Limited" which is acquired and later amalgamated with the Company. The Company is in the process of updation of the title deeds with the respective authorities.
Freehold Land- Sangli	0.53		2024	
Building- Head office, Pune	26.03		2024	
Leasehold Land- Mahad - I	11.61		2024	
			2024	
Leasehold Land- Mahad - III	7.70		2024	
Leasehold Land- Mahad - IV	2.98		2024	
Leasehold Land- Bhosari	26.98		2024	
Leasehold Land- Housing Colony (Mahad)	3.87		2024	
Right of Use assets (Guest house, Pune)	0.61		2024	
Leasehold Land- Mahad - II	3.94	Erstwhile Company Aquapharm Speciality Products Private Limited	2024	The title deed is in the name of erstwhile company, "Aquapharm Speciality Products Private Limited", which merged with Aquapharm Chemicals Private Limited with appointed date 1st April, 2020. The Company is in the process of updation of the title deeds with the respective authorities.
Total	**108.87**			

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5 (a) Goodwill

Goodwill represents the purchase consideration in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Particulars	As at 31st March 2026	As at 31st March 2025
Opening carrying amount	606.57	1,161.29
Impairment loss (refer note 47)	-	(554.72)
Closing carrying amount	**606.57**	**606.57**

Impairment test of Goodwill

The Company on an annual basis assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Goodwill of Rs. 1,161.29 Crores had arisen on acquisition of Aquapharm Chemicals Private Limited ("ACPL") during the year ended 31 March, 2024.

Pursuant to amalgamation of ACPL into Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited") ("ACL") (Refer Note 47) during the previous year and consequent change in tax base of the assets, deferred tax liability of Rs. 554.20 crores was reversed through statement of Profit and Loss and ACL had further performed impairment assessment of goodwill arisen on acquisition of ACPL and has accounted for impairment loss of Rs. 554.72 crores based on valuation done by an external valuer in the previous year.

The impairment assessment was triggered by aforesaid reversal of deferred tax liability and consequent increase in carrying amount of Cash Generating Unit, on account of amalgamation.

Remaining balance of Goodwill as on 31st March 2026 has been tested for impairment in the current year by the management and based on such testing, there is no further impairment of Goodwill.

Key Assumptions used for value in use calculations are as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Earnings before Interest Tax Depreciation, and Amortisation % in forecast period	16% - 20%	21% - 24%
Profit before tax % in forecast period	6% - 12%	18% - 22%
Growth rate used for extrapolation perpetuity rate	4%	4%
Discount rate (post tax)	13.70%	18.50%

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(All amounts are in INR Crores, unless otherwise stated)

5 (b) OTHER INTANGIBLE ASSETS

Particulars	Computer software	Customer relationship	Knowhow and IP	Total
Gross carrying amount as at 1st April, 2025	1.05	1,710.80	467.80	2,179.65
Additions during the year	-	-	-	-
Gross carrying amount as at 31st March, 2026	**1.05**	**1,710.80**	**467.80**	**2,179.65**
Accumulated amortisation as at 1st April, 2025	0.49	79.65	27.23	107.37
Amortisation during the year (refer note 33)	0.52	68.43	23.39	92.35
Accumulated amortisation as at 31st March, 2026	**1.01**	**148.08**	**50.62**	**199.72**
Net carrying amount as at 31st March, 2026	**0.04**	**1,562.72**	**417.18**	**1,979.93**

Particulars	Computer software	Customer relationship	Knowhow and IP	Total
Gross carrying amount as at 1st April, 2024	1.05	1,710.80	467.80	2,179.65
Additions during the year	-	-	-	-
Gross carrying amount as at 31st March, 2025	**1.05**	**1,710.80**	**467.80**	**2,179.65**
				-
Accumulated amortisation as at 1st April, 2024	0.07	11.48	3.90	15.45
Amortisation during the year (refer note 33)	0.42	68.17	23.33	91.92
Accumulated amortisation as at 31st March, 2025	**0.49**	**79.65**	**27.23**	**107.37**
Net carrying amount as at 31st March, 2025	**0.56**	**1,631.15**	**440.57**	**2,072.28**

The Company has not revalued its intangible assets during the year ended 31st March 2026 and 31st March 2025.

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		As at 31st March 2026	As at 31st March 2025
6	**INVESTMENTS - NON-CURRENT**		
	Investment in Equity instruments (fully paid up) (measured at cost)		
	Investment in subsidiaries (Unquoted)		
	Aquapharm Europe B.V., Netherlands	2.94	2.94
	1,000 (31st March 2025: 1,000) equity shares of Euro 1 each (31st March 2025: Euro 1 each) fully paid up		
	Aquapharm Chemicals LLC, USA	267.05	267.05
	18,00,000 (31st March 2025: 18,00,000) equity shares of USD 1 each (31st March 2025: USD 1 each) fully paid up		
	Unique Solutions for Chemical Industries Co., Saudi Arabia*	3.91	3.91
	50,294 (31st March 2025: 50,294) equity shares of SAR 100 each (31st March 2025: SAR 100 each) fully paid up		
	Aquapharm Foundation, India	0.01	0.01
	9,999 (31st March 2025: 9,999) equity shares of INR 10 (31st March 2025: INR 10 each) each fully paid up		
		273.90	**273.90**
	Carrying value and market value of quoted and unquoted investments are as below:		
	Aggregate market value of quoted investments	-	-
	Aggregate carrying value of unquoted investments	273.90	273.90
	Aggregate amount of impairment in value of investments	21.21	21.21

The list of subsidiaries along with the proportion of ownership interest held are disclosed in note 38.

*Net of impairment provision of INR 21.21 Crores (31st March 2025: INR 21.21 Crores).

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

		As at 31st March 2026	As at 31st March 2025
7	**LOANS**		
	Non-current		
	Loans to a related party (refer note 40) Unique Solutions for Chemicals Industries Co. (subsidiary)	29.78	26.93
	Less : Loss allowance	(21.42)	(18.79)
		8.36	**8.14**
	Break-up of security details:		
	Loans considered good - Secured	-	-
	Loans considered good - Unsecured	8.36	8.14
	Loans which have significant increase in credit risk	21.42	18.79
	Loans - Credit impaired	-	-
		29.78	**26.93**
	Less : Loss allowance	(21.42)	(18.79)
		8.36	**8.14**

Refer note 42 for information about foreign exchange risk and note 43 for fair value measurements on loans.

Loan to a related party as mentioned above is the maximum amount outstanding during the year. There were no loan given during the year, the movement in balance is on account of restatement of foreign currency loan to INR as at reporting date.

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		As at 31st March 2026	As at 31st March 2025
8	**OTHER FINANCIAL ASSETS**		
	Non-current (Unsecured, considered good)		
	Deposits with remaining maturity of more than 12 months	0.33	0.65
	Security deposits	5.80	5.10
		6.13	**5.75**

Refer note 43 for fair value measurements.

		As at 31st March 2026	As at 31st March 2025
9	**OTHER NON-CURRENT ASSETS**		
	Unsecured, considered good		
	Capital advances	0.53	0.82
	Prepaid expenses	0.61	0.12
	Balances with Government Authorities	2.63	-
		3.77	**0.94**

		As at 31st March 2026	As at 31st March 2025
10	**INVENTORIES (At lower of cost and net realisable value)**		
	Raw Materials	25.70	55.81
	(includes packing material of Rs. 3.04 Crores (31st March 2025 : Rs. 2.52 Crores)		
	In transit	4.60	54.06
		30.30	**109.87**
	Work-in-progress	13.29	20.96
		13.29	**20.96**
	Finished goods	25.82	39.89
	In transit	48.45	46.23
		74.27	**86.12**
	Stores and spares	**6.87**	**6.56**
		124.73	**223.51**

Write-down of inventories amounted to INR 1.25 Crores (31st March 2025 - INR 2.42 Crores). These were recognised as an expense/(gain) in standalone statement of profit and loss of respective year.

Refer note 18 and 22 for information on inventories hypothecated as security by the Company.

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(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
11 TRADE RECEIVABLES		
Current		
Trade Receivables from others (unrelated parties)	104.77	131.35
Trade Receivables from related parties (refer note 40)	78.82	64.15
Less: Loss Allowance (allowance for bad and doubtful debts) (refer note 42(b))	(0.32)	(0.32)
	183.27	**195.18**
Break-up of trade receivables		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	183.27	195.18
Trade receivables which have significant increase in credit risk	0.32	0.32
Trade receivables - credit impaired	-	-
	183.59	**195.50**
Less: Loss allowance	(0.32)	(0.32)
Total trade receivables	**183.27**	**195.18**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person and from firms or private companies respectively in which any director is partner, a director or a member. Refer note 18 and 22 for information on trade receivables hypothecated as security by the Company.

The carrying amount of trade receivables may be affected by the changes in the credit risk of the counterparties as well as the currency risk as explained in note 42.
There are no disputed trade receivables as at 31 March, 2026 and 31 March, 2025.
There are no unbilled trade receivables as at 31 March, 2026 and 31 March, 2025.

Ageing of trade receivables as on 31st March, 2026:

Particulars	Not due	Outstanding for following periods from due date of payment					Total Receivables
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	140.21	34.39	0.46	2.74	5.47	-	183.27
Undisputed Trade receivables - which have significant increase in credit risk	-	0.28	-	0.04	-	-	0.32
Less : Allowance for significant increase in credit risk	-	(0.28)	-	(0.04)	-	-	(0.32)
	140.21	**34.39**	**0.46**	**2.74**	**5.47**	**-**	**183.27**

Ageing of trade receivables as on 31st March 2025:

Particulars	Not due	Outstanding for following periods from due date of payment					Total Receivables
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	133.45	35.81	0.64	25.28	-	-	195.18
Undisputed Trade receivables - which have significant increase in credit risk	-	0.28	0.04	-	-	-	0.32
Less : Allowance for significant increase in credit risk	-	(0.28)	(0.04)	-	-	-	(0.32)
	133.45	**35.81**	**0.64**	**25.28**	**-**	**-**	**195.18**

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(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
12 CASH AND CASH EQUIVALENTS		
Balances with banks:		
In Current accounts	33.59	23.04
In EEFC accounts	9.94	14.53
Deposits with original maturity of less than 3 months	-	0.94
Cash on hand	0.01	0.03
	43.54	**38.54**

There are no repatriation restrictions with regards to cash & cash equivalents.

	As at 31st March 2026	As at 31st March 2025
13 OTHER BANK BALANCES		
Deposits with original maturity of more than 3 months but less than 12 months	1.32	7.93
	1.32	**7.93**

	As at 31st March 2026	As at 31st March 2025
14 OTHER FINANCIAL ASSETS		
Unsecured, considered good		
Interest accrued on deposits	0.07	0.23
Others - receivable from related parties (refer note 40)	13.56	13.10
Others*	3.41	2.80
	17.04	**16.13**

*This pertains to the amount receivable from the erstwhile promoters.

	As at 31st March 2026	As at 31st March 2025
15 OTHER CURRENT ASSETS		
Unsecured, considered good		
Export incentives receivable #	0.81	0.76
Prepaid expenses	0.62	0.96
Advances to suppliers	4.16	4.11
Balances with Government Authorities *	12.79	29.72
Others	0.01	0.27
	18.39	**35.82**

Export incentives receivable consist of amounts receivable from government authorities of India towards incentives on export sales made by the Company.

* Balances with Government Authorities primarily includes amounts realisable, if any, from the GST Authorities and Customs Authorities of India and the unutilised GST input credits on purchases to be utilised against future GST liabilities. These are generally realised within one year and hence these balances have been classified as current assets.

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Aquapharm Chemical Limited PUNE

	As at 31st March 2026	As at 31st March 2025
16 EQUITY SHARE CAPITAL		
Authorized share capital		
4,00,00,00,000 Equity Shares of INR 10 each (31st March 2025 : 4,00,00,00,000 Equity Shares of INR 10 each)	4,000.00	4,000.00
Issued, subscribed & fully paid up share capital		
2,85,00,00,000 Equity Shares of INR 10 each fully paid up (31st March 2025 : 2,85,00,00,000 Equity Shares of INR 10 each fully paid up)	2,850.00	2,850.00
Total issued, subscribed & fully paid up equity share capital	**2,850.00**	**2,850.00**

a Reconciliation of Authorised share capital number of shares and amount

	31st March 2026 (No. of Shares)	31st March 2026 (INR Crores)	31st March 2025 (No. of Shares)	31st March 2025 (INR Crores)
At the beginning of the year	4,00,00,00,000	4,000.00	4,00,00,00,000	4,000.00
At the end of the year	**4,00,00,00,000**	**4,000.00**	**4,00,00,00,000**	**4,000.00**

b Reconciliation of number of shares outstanding at the beginning and at the end of the year

	31st March 2026 (No. of Shares)	31st March 2026 (INR Crores)	31st March 2025 (No. of Shares)	31st March 2025 (INR Crores)
At the beginning of the year	2,85,00,00,000	2,850.00	10,00,00,000	100.00
Shares issued during the year	-	-	2,75,00,00,000	2,750.00
At the end of the year	**2,85,00,00,000**	**2,850.00**	**2,85,00,00,000**	**2,850.00**

Pursuant to the terms and conditions of unlisted optionally and fully convertible debentures ("OCDs"), the Company has converted all 275,00,00,000 OCDs into one equity share of Rs. 10 each during the previous year ended 31st March 2025. Accordingly, the Company has issued 220,00,00,000 and 55,00,00,000 equity shares of Rs. 10 each to PCBL Chemical Limited and PCBL (TN) Limited respectively.

c Terms and rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10/- per share and each shareholder is entitled for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d Details of shareholders holding more than 5% shares in the Company:

	As at 31st March 2026		As at 31st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
PCBL Chemical Limited (Immediate Holding Company)	2,28,00,00,000	80.00%	2,28,00,00,000	80.00%
PCBL (TN) Limited (Wholly Owned Subsidiary of PCBL Chemical Limited)	57,00,00,000	20.00%	57,00,00,000	20.00%

e Details of shareholding of Promoters:

	As at 31st March 2026		
Promoter Name	**No. of Shares held**	**% of Holding**	**% Change**
PCBL Chemical Limited (Immediate Holding Company)	2,28,00,00,000	80.00%	0%
PCBL (TN) Limited (Wholly Owned Subsidiary of PCBL Chemical Limited)	57,00,00,000	20.00%	0%

	As at 31st March 2025		
Promoter Name	**No. of Shares held**	**% of Holding**	**% Change**
PCBL Chemical Limited (Immediate Holding Company)	2,28,00,00,000	80.00%	0%
PCBL (TN) Limited (Wholly Owned Subsidiary of PCBL Chemical Limited)	57,00,00,000	20.00%	0%

'Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.
There are no calls unpaid by Directors / Officers of the Company.

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(All amounts are in INR Crores, unless otherwise stated)

17 OTHER EQUITY

	As at 31st March 2026	As at 31st March 2025
Retained earnings		
Opening balance	(114.06)	(36.22)
Loss for the year	(85.34)	(78.02)
Remeasurements of post employment defined benefit plans (net of tax)	0.25	0.17
	(199.15)	**(114.06)**
Cash flow hedge reserve		
Opening balance	-	(0.16)
Transferred during the year (net of tax)	-	0.16
Created during the year (net of tax)	-	-
	-	-
Total other equity	**(199.15)**	**(114.06)**

Nature & purpose of reserves :

Retained Earnings - Retained earnings are the profits and losses that the Company has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders.

Cash flow hedge reserve - The Company uses forward contracts to hedge its exposure to movements in foreign exchange rates which are designated as cash flow hedges. To the extent these hedges are effective, the changes in fair value of the hedging instruments are recognised in the cash flow hedging reserve. Amounts recognised in cash flow hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

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	As at 31st March 2026	As at 31st March 2025
18 NON-CURRENT BORROWINGS		
Non-current borrowings (secured)		
Term Loans*		
Indian rupee loan from banks	205.05	146.20
Term loan from Non-Banking Financial Company ("NBFC")	314.17	381.10
Non-Convertible Debentures ("NCD")	385.00	467.50
Total Non-current borrowings	**904.22**	**994.80**
Current maturities of long term loans from banks (secured)	(27.03)	(20.60)
Current maturities of long term loans from NBFC (secured)	(67.05)	(68.06)
Current maturities of Non-Convertible Debentures (secured)	(82.50)	(82.50)
Net Amount	**727.64**	**823.64**

*The amount is net of INR 3.58 Crores (31st March 2025: INR 3.19 Crores), being unamortised portion of fees and charges paid upfront for those borrowings.

Notes:

a) Indian rupee term loan from bank of INR 126.40 Crores (31st March 2025: INR 146.20 Crores) carries floating interest rate. The term loan is secured by way of first charge on movable fixed assets of the Company, both present and future.

b) Loan from NBFC INR 174.54 Crore (31st March 2025 : INR 211.73 Crores) is secured by way of 1st ranking pari-paasu charge on all movable fixeds and current assets, negative lien on immovable properties of the Company, Hypothecation on investments/loans and advances made in foreign subsidiaries by the Company and Non-Disposal Undertaking on equity shares of the foreign subsidiaries to the lenders of the Company with security cover of 1x or more in terms of the Deed of Hypothecation dated 20th March 2025. The term loan carries floating interest rate.

c) Loan from NBFC INR 139.63 Crore (31st March 2025 : INR 169.37 Crores) is secured by way of 1st ranking pari-paasu charge on all movable fixed and current assets, negative lien on immovable properties of the Company, Hypothecation on investments/loans and advances made in foreign subsidiaries by the Company and Non-Disposal Undertaking on equity shares of the foreign subsidiaries to the lenders of the Company with security cover of 1x or more in terms of the Deed of Hypothecation dated 20th March 2025. The term loan carries floating interest rate.

d) The Non-Convertible Debentures of INR 385 Crores (31st March 2025 : INR 467.50 Crores) are secured by way of 1st ranking pari-paasu charge on all movable fixed and current assets, negative lien on immovable properties of the Company, Hypothecation on investments/loans and advances made in foreign subsidiaries by the Company and Non-Disposal Undertaking on equity shares of the foreign subsidiaries to the lenders of the Company with security cover of 1x or more in terms of the Deed of Hypothecation dated 20th March 2025 executed with the debenture trustee. NCD carries fixed interest rate.

e) Indian rupee term loan from bank of INR 40 Crores (31st March 2025: Nil) is secured by first pari passu charge over all movable fixed assets, current assets and intangible assets of borrower both present and future. The term loan carries floating rate of interest.

f) Indian rupee term loan from bank of INR 38.65 Crores (31st March 2025: Nil) is secured by first pari passu charge over all movable fixed assets and current assets of Company both present and future and negative lien on immovable properties of the Company. The term loan carries floating rate of interest.

	As at 31st March 2026	As at 31st March 2025
Maturity Profile of Long Term Borrowings from Banks (secured)		
Maturity of less than 1 year (6 instalments (31st March 2025: 3 instalments)	27.03	20.60
Maturity between 1 and 3 years (24 instalments (31st March 2025: 8 instalments)	103.97	52.27
Maturity between 3 and 5 years (15 instalments (31st March 2025: 8 instalments)	74.05	53.28
More than 5 years (Nil (31st March 2025: 3 instalments)	-	20.05
	205.05	**146.20**
Maturity Profile of Long Term Borrowings from NBFC (secured)		
Maturity of less than 1 year (8 installment (31st March 2025: 8 instalments)	67.05	68.06
Maturity between 1 and 3 years (16 installments (31st March 2025: 16 instalments)	247.12	189.37
Maturity between 3 and 5 years (Nil (31st March 2025: 8 instalments)	-	123.67
	314.17	**381.10**
Maturity Profile of NCD (secured)		
Maturity of less than 1 year (1 instalment (31st March 2025: 1 instalment)	82.50	82.50
Maturity between 1 and 3 years (2 instalments (31 March,2025 2 instalments)	302.50	233.75
Maturity between 3 and 5 years (Nil (31st March 2025: 1 instalment)	-	151.25
	385.00	**467.50**
Total	**904.22**	**994.80**

	As at 31st March 2026	As at 31st March 2025
19 PROVISIONS		
Non-current		
Employee benefit obligations		
Provision for Gratuity (refer note 36)	11.17	1.35
	11.17	**1.35**

Aquapharm Chemical Limited PUNE

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Notes forming part of Standalone Financial Statements for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2025	Recognized to Statement of Profit and Loss	Earlier year impact	Recognized to/ Reclassified from OCI	As at 31st March 2026
20 DEFERRED TAX LIABILITIES / (ASSETS) (NET)					
Deferred Tax Liabilities (A)					
Property, plant & equipment (including ROU) and intangible assets : Impact of difference between tax depreciation and depreciation/amortization for financial reporting	199.62	75.33	5.78	-	280.72
Total (A)	**199.62**	**75.33**	**5.78**	**-**	**280.73**
Deferred Tax Assets (B)					
Expected credit loss	0.10	-	-	-	0.10
Provision for impairment of investment made and loans given	10.07	1.02	-	-	11.09
Expenditure allowed for tax purposes on payment basis	2.03	3.02	1.09	(0.09)	6.05
Brought forward losses and depreciation	184.50	99.75	2.63	-	286.88
Lease liability	0.13	(0.05)	-	-	0.08
Others	0.23	(0.01)	(0.05)	-	0.17
Total (B)	**197.06**	**103.73**	**3.67**	**(0.09)**	**304.37**
Deferred Tax Liabilities/(Assets) (A-B)	**2.56**	**(28.40)**	**2.11**	**0.09**	**(23.65)**

	As at 1st April 2024	Recognized to Statement of Profit and Loss	Recognized to/ Reclassified from OCI	As at 31st March 2025
DEFERRED TAX LIABILITIES / (ASSETS) (NET)				
Deferred Tax Liabilities (A)				
Property, plant & equipment (including ROU) and intangible assets : Impact of difference between tax depreciation and depreciation/amortization for financial reporting	592.88	(393.26)	-	199.62
Impact of fair valuation of mutual fund and bonds	1.61	(1.61)	-	-
Total (A)	**594.49**	**(394.87)**	**-**	**199.62**
Deferred Tax Assets (B)				
Expected credit loss	0.13	(0.03)	-	0.10
Provision for impairment of investment made and loans given	10.07	-	-	10.07
Expenditure allowed for tax purposes on payment basis	2.01	0.14	(0.11)	2.03
Brought forward losses and depreciation	64.83	119.67	-	184.50
Lease liability	-	0.13	-	0.13
Others	(60.10)	60.33	-	0.23
Total (B)	**16.94**	**180.24**	**(0.11)**	**197.06**
Deferred Tax Liabilities/(Assets) (A-B)	**577.55**	**(575.11)**	**0.11**	**2.56**

Reconciliation of tax expense

	As at 31st March 2026	As at 31st March 2025
Accounting profit before income tax	**(116.51)**	**(98.93)**
Tax at India's statutory income tax rate of 25.17% (31st March 2025: 25.17%)	(29.32)	(24.90)
Tax expense/(credit) relating to earlier years	(2.77)	-
Corporate social responsibility	0.05	0.95
Subscriptions and donations	-	2.39
Other adjustments	0.87	0.65
Income tax expense	**(31.17)**	**(20.91)**
Income tax expense reported in the standalone statement of profit and loss	**(31.17)**	**(20.91)**

Aquapharm Chemical Limited PUNE

	As at 31st March 2026	As at 31st March 2025
21 NON CURRENT TAX ASSETS (NET)		
Opening Current tax liabilities/(assets)	(4.98)	2.16
Tax expense/(credit) relating to earlier years *	(4.88)	-
Less: Tax paid	(0.30)	(7.14)
	(10.15)	**(4.98)**
Disclosed as Current Tax Liabilities	-	-
Disclosed as Non current tax assets (net)	(10.15)	(4.98)

The major components of income tax expense for the year ended 31 March 2026 and 31st March 2025 are:

Profit and loss section		
Current tax	-	-
Tax expense/(credit) relating to earlier years	(2.77)	-
Deferred tax	(28.40)	(20.91)
Total tax expenses	**(31.17)**	**(20.91)**
OCI Section		
Deferred tax related to items recognised in OCI during the year:		
Net movement on cash flow hedges	-	0.06
Remeasurements of post employment defined benefit plans	0.09	0.05
Income tax charge / (credit) through OCI	**0.09**	**0.11**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

*Tax relating to earlier years represents income tax reversal of Rs 4.88 Cr and charge of deferred tax expenses of Rs 2.11 crores pertaining to earlier years.

	As at 31st March 2026	As at 31st March 2025
22 CURRENT BORROWINGS		
Working capital loans from Banks (secured)	-	40.00
Working capital loans from Banks (unsecured)	169.00	68.46
Short Term Loan from NBFC (unsecured)	50.00	-
Current maturities of long term loans from banks (secured) (refer note 18)	27.03	20.60
Current maturities of long term loans from NBFC (secured) (refer note 18)	67.05	68.06
Current maturities of Non-Convertible Debentures (secured) (refer note 18)	82.50	82.50
	395.58	**279.62**
The above amount includes:		
Secured borrowings	176.58	211.16
Unsecured borrowings	219.00	68.46
Currency level bifurcation		
Foreign currency borrowings	76.50	68.46
INR borrowings	319.08	211.16

a The quarterly returns/statements of current assets filed by the Company with banks are in agreement with the books of accounts.

b The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

c The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the Statutory period.

e There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year. The Company has no indication that it will have difficulty complying with these covenants.

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(All amounts are in INR Crores, unless otherwise stated)

Changes in liabilities arising from financing activities

a) Current borrowings (excluding current maturities of long term debts)

Particulars	As at 31st March 2026
Balance as on 1st April 2025	108.46
Cash Flows	106.87
Other adjustments*	3.67
Balance as on 31st March 2026	**219.00**

Particulars	As at 31st March 2025
Balance as on 1st April 2024	29.18
Cash Flows	79.55
Other adjustments*	(0.27)
Balance as on 31st March 2025	**108.46**

b) Lease Liabilities

Particulars	As at 31st March 2026
Balance as on 1st April 2025	0.51
Cash Flows	(0.22)
Other adjustments (refer note 4(d))*	0.03
Balance as on 31st March 2026	**0.32**

Particulars	As at 31st March 2025
Balance as on 1st April 2024	-
Cash Flows	(0.12)
Other adjustments (refer note 4(d))*	0.63
Balance as on 31st March 2025	**0.51**

(c) Non-current borrowings (including current maturities of long term debts)

Particulars	As at 31st March 2026
Balance as on 1st April 2025	994.80
Cash Flows	(90.19)
Other adjustments*	(0.39)
Balance as on 31st March 2026	**904.22**

Particulars	As at 31st March 2025
Balance as on 1st April 2024	997.89
Cash Flows	(3.93)
Other adjustments*	0.84
Balance as on 31st March 2025	**994.80**

*Other adjustments includes the impact of foreign exchange reinstatement on foreign currency borrowings and changes in fair value of borrowings measured at amortised cost using the effective interest rate method and effect of addition, renewal and accretion of interest of lease liabilities.

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(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
23 TRADE PAYABLES		
Total outstanding of dues to Micro and small enterprises (refer note 35)	4.87	3.84
Total outstanding dues of creditors other than Micro and Small Enterprises	81.07	146.37
	85.94	**150.21**

Trade Payables ageing as on 31st March 2026

Particulars	Not Due	Outstanding for the following periods from due date of payment				Total Trade Payables
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises - undisputed	3.60	1.27	-	-	-	4.87
(ii) Other than Micro and Small Enterprises - undisputed	78.64	2.08	-	0.35	-	81.07
	82.24	**3.35**	**-**	**0.35**	**-**	**85.94**

Trade Payables ageing as on 31st March 2025

Particulars	Not Due	Outstanding for the following periods from due date of payment				Total Trade Payables
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises - undisputed	3.84	-	-	-	-	3.84
(ii) Other than Micro and Small Enterprises - undisputed	74.68	71.37	0.31	0.01	-	146.37
	78.52	**71.37**	**0.31**	**0.01**	**-**	**150.21**

Aquapharm Chemical Limited PUNE

(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
24 OTHER FINANCIAL LIABILITIES		
Current		
Deposits from customers	0.43	0.53
Interest accrued but not due on borrowings	6.15	6.88
Employee benefits payable	6.54	6.43
Payables for purchase of property, plant & equipment	59.36	92.17
Amount payable to Holding Company (refer note 40)	-	28.56
Purchase consideration payable	47.24	44.29
	119.72	**178.86**

	As at 31st March 2026	As at 31st March 2025
25 PROVISIONS		
Current		
Provision for Gratuity (refer note 36)	1.90	0.78
Provision for Compensated absences (refer note 36)	5.01	5.01
	6.91	**5.79**

	As at 31st March 2026	As at 31st March 2025
26 OTHER CURRENT LIABILITIES		
Statutory dues payable	2.27	5.28
Advance from customers (contract liabilities)	5.12	4.36
Others	0.16	0.17
	7.55	**9.81**

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	For the year ended 31st March 2026	For the year ended 31st March 2025
27 REVENUE FROM OPERATIONS		
Revenue from contracts with customers		
Sale of products		
Finished goods	783.00	755.57
	783.00	**755.57**
Sale of services		
Income from Windmill	0.39	2.82
Material Handling Services	7.40	5.40
	7.79	**8.22**
Other operating revenue		
Scrap sales	0.24	0.16
Export incentives	2.20	3.04
	2.44	**3.20**
	793.23	**766.99**

Revenue disaggregation in terms of nature and products has been included above. The Company has only one segment (refer note 39).

Refer note 2 for accounting policy.
Revenue is recognised at a point in time and not over time.
Movement of Advance from customers :

Opening Balance	**(4.36)**	**(3.72)**
Amount received from customers	(29.38)	(21.01)
Amount billed to customers	28.62	20.37
Closing Balance	**(5.12)**	**(4.36)**

	For the year ended 31st March 2026	For the year ended 31st March 2025
28 OTHER INCOME		
Interest Income		
Bank Deposits	0.30	1.10
On Financial assets carried at cost * ^	0.85	2.02
Net gain on sale of Investments carried at FVTPL	0.55	3.18
Profit on sale of property, plant and equipment (net)	0.61	0.09
Management Fees* #	23.06	13.45
Miscellaneous income	0.47	6.40
	25.84	**26.24**

* Refer note 40 for transactions with related parties
# net of legal & professional fees of INR 7.99 crores (31st March 2025: INR 5.78 Crores)
^ Interest income on financial assets carried at cost as above is net of provision of INR 1.44 crores (31st March 2025: INR Nil)

	For the year ended 31st March 2026	For the year ended 31st March 2025
29 COST OF RAW MATERIALS CONSUMED*		
Raw material at the beginning of the year	109.87	41.23
Add : Purchases	367.80	527.37
	477.67	**568.60**
Less : Raw material at the end of the year	(30.30)	(109.87)
	447.37	**458.73**

*Includes packing materials of INR 31.14 Crores (31st March 2025: INR 29.82 Crores).

	For the year ended 31st March 2026	For the year ended 31st March 2025
30 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
Inventories at the end of the year		
Work-in-progress	13.29	20.96
Finished goods	74.27	86.12
	87.56	**107.08**
Inventories at the beginning of the year		
Work-in-progress	20.96	11.75
Finished goods	86.12	95.70
	107.08	**107.44**
	19.52	**0.36**

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	For the year ended 31st March 2026	For the year ended 31st March 2025
31 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages & Bonus **(refer note 46)**	66.53	59.22
Contribution to Provident & other funds*	4.07	3.56
Staff welfare expenses	2.54	2.01
	73.14	**64.79**

*The company made contribution for provident fund towards retirement benefit plan for eligible employees. Under the said plan, the company is required to contribute at the rate of 12% of basic salary as per local requirements to fund the benefits. During the year, the company has contributed and charged INR 1.97 Crores (31st March 2025: INR 1.68 Crores) on this account in the statement of Profit and loss.

	For the year ended 31st March 2026	For the year ended 31st March 2025
32 FINANCE COSTS		
Interest	100.98	102.69
Interest on lease liabilities [refer note 4(d)]	0.03	0.02
Other borrowing costs	1.56	1.32
Total	**102.57**	**104.03**

	For the year ended 31st March 2026	For the year ended 31st March 2025
33 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of property, plant & equipment [refer note 4(a)]	35.24	21.39
Amortization of intangible assets [refer note 5(b)]	92.35	91.92
Depreciation of right of use assets [refer note 4(c)]	0.96	0.80
	128.55	**114.11**

	For the year ended 31st March 2026	For the year ended 31st March 2025
34 OTHER EXPENSES		
Consumption of stores and spares	6.73	5.40
Power and fuel	47.46	42.78
Water charges	1.50	1.24
Repairs and Maintenance- Building	0.65	0.32
Repairs and Maintenance- Plant and Machinery	4.56	2.73
Repairs and Maintenance- Others	1.27	1.20
Insurance	2.30	2.44
Rates and taxes	0.21	0.48
Payment to Auditor (refer note below)	0.74	0.29
Legal and professional fees	22.88	11.47
Subscriptions and donations (refer note 49)	-	9.50
Marketing expenses	3.75	3.55
Travelling and conveyance expenses	3.96	4.34
Clearing and forwarding expenses	67.63	59.64
Sales commission	0.07	0.08
Bank charges	1.17	0.77
Corporate Social Responsibility expenditure	0.19	3.77
Security charges	2.64	2.18
Miscellaneous expenses	9.70	7.35
Less : Net gain on foreign currency transactions	24.52	9.91
	152.89	**149.62**

	For the year ended 31st March 2026	For the year ended 31st March 2025
PAYMENT TO AUDITOR (including erstwhile auditors)*		
As Auditor:		
Audit fee	0.25	0.10
Limited Review	0.36	0.13
Tax Audit fee	-	0.02
In other capacity:		
Other Services (including certification fees)	0.10	0.03
Reimbursement of expenses	0.03	0.01
Total	**0.74**	**0.29**

This includes payment made to the erstwhile auditors amounting to INR 0.01 crores (31st March 2025: INR 0.29 crores).

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35 Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006:

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

	As at 31st March 2026	As at 31st March 2025
(a) The principal amount and the interest due thereon remaining unpaid to supplier under MSMED Act, 2006 at the end of each accounting year		
Principal#	5.72	3.94
Interest	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment during the year	0.70	0.06
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.97	0.27
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.97	0.27

Amount due to Micro and Small enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers as Micro and Small enterprises.

#Includes INR 0.85 Crores (31st March 2025: INR 0.10 Crores) with respect to Payables for purchase of property, plant & equipment.
Refer note 42 for market risk on trade payables

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36 Employee Benefit Obligation

	31st March 2026	31st March 2025
Non Current		
Provision for Gratuity	11.17	1.35
Total non-current employee benefit obligations	**11.17**	**1.35**
Current		
Provision for Gratuity	1.90	0.78
Provision for Compensated absences	5.01	5.01
Total current employee benefit obligations	**6.91**	**5.79**

i) Compensated Absences

The compensated absences cover the Company's liability for privilege leave. The entire amount of provision is classified as current since Company does not have right to defer settlement at the end of reporting period. The expense of INR 0.74 Crores (31st March 2025 : INR 1.02 Crores) is included under employee benefit expense in the standalone statement of Profit and Loss account.

ii) Post employment benefit - Gratuity

The Company provides for gratuity for employees in India as per the Code on Social Security, 2020. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimate of expected gratuity payments.

Changes in the present value of the defined benefit obligation are as follows:

	31st March 2026	31st March 2025
Defined benefit obligation at the beginning of the year	6.33	5.89
Current service cost	1.05	0.41
Interest cost	0.38	0.70
Actuarial (gain)/loss	(0.33)	(0.18)
Past service cost	11.54	-
Benefits paid	(1.32)	(0.50)
Defined benefit obligation, at the end of the year	**17.65**	**6.33**

Changes in the fair value of plan assets are as follows:

	31st March 2026	31st March 2025
Fair value of plan assets at the beginning of the year	4.20	3.79
Expected return on plan assets	0.28	0.28
Contribution by employer	0.70	0.53
Benefits paid	(0.65)	(0.43)
Actuarial gain / (loss)	0.05	0.03
Fair value of plan assets, at the end of the year	**4.58**	**4.20**

The Company expects to contribute INR 1.90 Crores (Actual contribution for year ended 31st March 2026: INR 0.70 Crores) to its gratuity plan in FY 2026-27.

The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risks of asset management, historical results of return on plan assets, Group's policies for plan asset management and other relevant factors.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31st March 2026 %	31st March 2025 %
Insurance Fund with Life Insurance Corporation of India	100	100

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The fair value of planned assets represents the amount as confirmed by the fund.

Details of defined benefit obligation

	31st March 2026	31st March 2025
Present value of defined benefit obligation	17.65	6.33
Fair value of plan assets	(4.58)	(4.20)
Benefit liability (net)	**13.07**	**2.13**

The net liability disclosed above relates to funded plans are as follows:

	31st March 2026	31st March 2025
Present value of funded obligations	17.65	6.33
Fair value of plan assets	(4.58)	(4.20)
Deficit of funded plan (A)	**13.07**	**2.13**
Unfunded plans (B)	-	-
Total net obligation (A+B)	**13.07**	**2.13**

The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans as per the demand from LIC of India. Refer note above for details on expected contribution for FY 2026-27.

Net employee benefit expense recognised in the statement of profit and loss:

	31st March 2026	31st March 2025
Current service cost	1.05	0.41
Interest cost on benefit obligation	0.10	0.43
Past service cost	11.54	-
Net benefit expense	**12.69**	**0.84**

Net employee benefit expense recognised in the other comprehensive income (OCI):

	31st March 2026	31st March 2025
Actuarial (gain)/loss on Obligation for the year	(0.33)	(0.18)
Return on Plan Assets, excluding interest income	(0.01)	(0.04)
Net (income)/expense for the year recognized in OCI	(0.34)	(0.22)

Amounts for the current and previous periods are as follows:

	31st March 2026	31st March 2025	31st March 202	31st March 2023	31st March 2022
Defined benefit obligation	17.65	6.33	5.89	5.52	4.84
Plan assets	(4.58)	(4.20)	(3.79)	(3.40)	(2.93)
(Surplus) / deficit	13.07	2.13	2.10	2.12	1.91
Experience adjustments on plan liabilities	0.10	(0.35)	(0.03)	0.12	0.39
Experience adjustments on plan assets	(0.07)	(0.04)	0.01	(0.01)	(0.05)

The principal assumptions used in determining defined benefit obligation are shown below:

	31st March 2026	31st March 2025
Discount rate	7.20%	6.70%
Expected rate of return on plan asset	6.70%	7.20%
Expected rate of salary increase	10.00%	10.00%
Employee turnover	9.00%	9.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) ult	Indian Assured Lives Mortality (2012-14)ult

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

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(All amounts are in INR Crores, unless otherwise stated)

Sensitivity Analysis:

	31st March 2026	31st March 2025
+1% Change in discount rate	(0.82)	(0.32)
-1% Change in discount rate	0.91	0.35
+1% Change in rate of salary increase	0.73	0.27
-1% Change in rate of salary increase	(0.67)	(0.25)
+1% Change in rate of employee turnover	(0.10)	(0.04)
-1% Change in rate of employee turnover	0.11	0.05

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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

Asset volatility:
The plan assets are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are maintained with LIC of India.

Changes in bond yields:
A decrease in bond yields will increase plan liabilities.

Future salary escalation and inflation risk:
Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this risk.

Life expectancy:
Increases in life expectancy of employee will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company's assets are maintained with LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The plan asset mix is in compliance with the requirements of the respective local regulations.
The weighted average duration of the defined benefit obligation is 7.61 years (31st March 2025 - 7.55 years). The expected maturity analysis of undiscounted gratuity is as follows:

	31st March 2026 (Funded)	31st March 2025 (Funded)
Projected Benefits Payable in Future Years From the Date of Reporting		
Less than 1 year	3.75	1.33
Between 1 to 2 years	2.11	1.11
Between 2 to 3 years	2.06	0.79
Between 3 to 4 years	1.96	0.73
Between 4 to 5 years	2.23	0.77
Over 5 years	12.35	4.25

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37 Contingent Liabilities and Commitments

A) **Contingent Liabilities-**

	31st March 2026	31st March 2025
1. Contingent liabilities for :-		
a) Service Tax	5.90	5.90
b) Excise Duty	0.20	0.20
c) Goods and Services Tax	1.12	1.05
d) Income Tax	4.17	5.60
e) Customs - MEIS	-	48.66
	11.39	**61.41**
2. Guarantees given*	47.33	56.51
	58.72	**117.92**

a) Service Tax - Disallowance mainly for service tax credit taken on services rendered overseas and ocean freight.

b) Excise Duty - Demand on inter unit stock transfer from Export Oriented (EOU) unit to Domestic Tariff Area (DTA) unit.

c) Goods and Services Tax - Demand of GST on sale of leasehold land.

d) Income Tax - Disallowance mainly of expenses under section 14A and disallowance of expense due to non-deduction of TDS on payment made to non-residents.

e) Customs - MEIS - Dispute over classification of the product.

Contingent liability disclosed above includes an amount of INR 11.23 crores (31st March 2025: INR 61.26 crores) which is jointly and severally indemnified by the erstwhile promoters as per the Share Purchase Agreement dated November 28, 2023.

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above contingent liabilities pending resolutions of the respective proceedings . The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

*The Company has issued financial guarantees to banks in respect of loan facilities availed by its subsidiary.

B) **Capital Commitments**

Estimated amounts of contracts remaining to be executed on Capital account and not recognised for (net of advances) is INR 6.38 Crores (31st March 2025 : INR 19.27 Crores).

38 The Company's interest in Subsidiaries:

Name of the Subsidiaries	Principal place of business	Proportion of interest held by the Company as at	
		31st March 2026	31st March 2025
Aquapharm Europe B.V.	Netherlands	100%	100%
Aquapharm Chemicals LLC	USA	100%	100%
Aquapharm PChem LLC	USA	100%	100%
Aquapharm Specialty Chemicals LLC	USA	100%	100%
Unique Solutions for Chemical Industries Co.	Saudi Arabia	95%	95%
USCI LLC	UAE	95%	95%
Aquapharm Foundation*	India	100%	100%

*Aquapharm Foundation is a section 8 Company which can apply its income for charitable purpose only.

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39 Segment reporting

Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Board of Directors have been identified as the chief operating decision maker.

The Company has only one operating segment which is 'Chemical' and does not operate in any other reportable segment as per Ind AS 108 : Operating segments. Accordingly, separate segment information is not required to be disclosed.

Information about revenue from operations and geographical distribution of revenue

The Company has only one business segment. Hence, the segment revenue, segment results, segment assets and segment liabilities are derived from this segment only.

Revenue from customers exceeding 10% of revenue amounted to INR 258.41 Crores for the year ended 31st March 2026 (31st March 2025: INR 80.07 Crores).

i) Revenue from operations

The Company is domiciled in India. The amount of its revenue broken down by location of the customers is in the table below :

	For the year ended 31st March 2026	For the year ended 31st March 2025
Revenue from customers		
Within India	237.43	226.87
Outside India	555.80	540.12
Total Revenue as per Standalone Statement of profit and loss	**793.23**	**766.99**

ii) Non Current operating assets

Particulars	31st March 2026	31st March 2025
Within India	2,685.37	2,771.71
Outside India	0.02	0.00 *
Total	**2,685.39**	**2,771.71**

Non-current assets for this purpose consist of property, plant and equipment, right of use assets, capital work-in-progress, intangible assets and capital advances.

iii) Total assets

Particulars	31st March 2026	31st March 2025
Within India	4,005.66	4,188.29
Outside India	0.02	0.00 *
Total	**4,005.68**	**4,188.29**

*Amount below rounding off norms followed by the Company

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40 Particulars of the related parties covered under the IND-AS 24:

Name of related party and nature of its relationship:

(a) Ultimate holding company - under de facto control as defined in IND-AS 110:
Rainbow Investments Limited

(b) Holding Company
PCBL Chemical Limited (Formerly known as "PCBL Limited")

(c) Related parties where control exists:
Subsidiaries
Aquapharm Europe B.V., Netherlands
Aquapharm Chemicals LLC, USA
Aquapharm Speciality Chemicals LLC, USA
Aquapharm PChem LLC, USA
Unique Solutions for Chemicals Industries Co., Saudi Arabia
USCI LLC, UAE
Aquapharm Foundation, India

(d) Key management personnel (KMP) of the Company :

Suresh Kalra	Chief Executive Officer and Whole Time-Director (from 5th March 2025 to 9th January 2026)
Ganesh Vishwanathan	Whole Time-Director (w.e.f. 31st March 2026) and Chief Financial Officer (w.e.f. 6th February 2025)
Jayesh Damle	Company Secretary and Compliance Officer (w.e.f. 6th February 2025)
Iram Hassan	Non Executive Independent Directors (w.e.f. 17th December 2024)
Tharavanat Chandrasekharan	Non-Executive Independent Directors (from 2nd May 2024 to to 31st March 2026)
Kusum Dadoo	Non-Executive Independent Directors (w.e.f. 2nd May 2024)
Umang Kanoria	Non Executive Independent Directors (w.e.f. 31st March 2026)
Gopal Rathi	Non-Executive Non-Independent Director (w.e.f. 17th December 2024)
Kaushik Roy	Non-Executive Non-Independent Director (w.e.f. 27th March 2025)
Kaushik Mukherjee	Director (till 27th March 2025)
Raj Kumar Gupta	Director (till 27th March 2025)

(e) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year:

PCBL (TN) Limited	Company under common control
RPSG Resources Private Limited	Company under common control

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(f) Transactions during the year with the related parties:-

Nature of Transaction	Subsidiaries	Holding Company	KMP	Other related parties
CSR Contribution	0.19	-	-	-
	(0.33)	-	-	-
Remuneration to Key Managerial person#	-	-	7.26	-
	-	-	(0.79)	-
Reimbursement of expenses paid	-	0.01	-	-
	-	(4.33)	-	-
License fees	-	-	-	12.50
	-	-	-	(10.00)
Sale of services	-	-	-	-
	-	-	-	(3.00)
Sale of Rodtep Scripts	-	1.15	-	-
	-	(1.71)	-	-
Interest received	-	-	-	-
	-	(0.00)*	-	-
Loan given	-	-	-	-
	-	(2.00)	-	-
Loan recovered	-	-	-	-
	-	(2.00)	-	-
Interest on Loans to Subsidiaries	2.00	-	-	-
(Gross of impairment provision)	(2.02)	-	-	-
Revenue (Sale of goods)	269.66	-	-	-
	(118.74)	-	-	-
Guarantee Commission	0.30	-	-	-
	(0.24)	-	-	-
Services Rendered (Management Fees)	31.05	-	-	-
(Gross amount reported)	(19.23)	-	-	-
Purchase of services	-	-	-	-
	(0.02)	-	-	-
Purchase of goods	2.62	-	-	-
	-	-	-	-
Issue of equity shares	-	-	-	-
	-	(2,200.00)	-	(550.00)
Sitting fees	-	-	0.08	-
	-	-	(0.02)	-

Closing balances	Subsidiaries	Holding Company	KMP	Other related parties
Other payable	-	-	-	-
	-	(28.56)	-	-
Share capital	-	2,280.00	-	570.00
	-	(2,280.00)	-	(570.00)
Trade Receivables	78.82	-	-	-
	(64.15)	-	-	-
Trade Payables	2.76	-	-	-
	-	-	-	-
Loan given	29.78	-	-	-
(Gross of impairment provision)	(26.93)	-	-	-
Interest receivable	9.54	-	-	-
(Gross of impairment provision)	(6.70)	-	-	-
Other receivable	5.45	-	-	-
	(6.40)	-	-	-

*Amount below rounding off norms followed by the Company
Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

Notes

1. Previous year numbers are disclosed in brackets.
2. All transactions were made on normal commercial terms and conditions and are at arm's length price and all outstanding balances are unsecured and are repayable in cash.

Aquapharm Chemical Limited PUNE

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
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(All amounts are in INR Crores, unless otherwise stated)

(g) Disclosure in respect of material related party transactions during the year:

	Relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
CSR contributions			
Aquapharm Foundation, India	Subsidiary	0.19	0.33
Remuneration to Key Managerial person			
Suresh Kalra	KMP	5.16	0.48
Ganesh Vishwanathan	KMP	1.91	0.29
Jayesh Damle	KMP	0.19	0.03
Reimbursement of expenses paid			
PCBL Chemical Limited	Holding company	0.01	4.33
License fees			
RPSG Resources Private Limited	Other related parties	12.50	10.00
Sale of services			
PCBL (TN) Limited	Other related parties	-	3.00
Sale of Rodtep Scripts			
PCBL Chemical Limited	Holding company	1.15	1.71
Interest received			
PCBL Chemical Limited	Holding company	-	0.00*
Loan given			
PCBL Chemical Limited	Holding company	-	2.00
Loan recovered			
PCBL Chemical Limited	Holding company	-	2.00
Interest on loans to subsidiaries			
Unique Solutions for Chemicals Industries Co.	Subsidiary	2.00	2.02
Revenue (sale of goods)			
Aquapharm Europe B.V.	Subsidiary	152.72	37.57
Unique Solutions for Chemicals Industries Co.	Subsidiary	11.25	1.10
Aquapharm Speciality Chemicals LLC	Subsidiary	105.69	80.07
Guarantee commission			
Unique Solutions for Chemicals Industries Co.	Subsidiary	0.30	0.24
Services rendered (management fees)			
Aquapharm PChem LLC	Subsidiary	20.52	16.07
Aquapharm Speciality Chemicals LLC	Subsidiary	3.49	2.22
Aquapharm Europe B.V.	Subsidiary	7.04	0.93
Purchase of services			
Aquapharm PChem LLC	Subsidiary	-	0.02
Purchase of goods			
Aquapharm Speciality Chemicals LLC	Subsidiary	2.62	-
Issue of equity shares			
PCBL Chemical Limited	Holding company	-	2,200
PCBL (TN) Limited	Other related parties	-	550
Director's sitting fees			
Iram Hassan	KMP	0.02	0.01
Kusum Dadoo	KMP	0.03	-
Tharavanat Chandrasekharan	KMP	0.03	0.01

*Amount below rounding off norms followed by the Company

Aquapharm Chemical Limited PUNE

41 Earnings / (Loss) Per Share :

The following table shows the computation of basic and diluted LPS.

	For the year ended 31st March 2026	For the year ended 31st March 2025
a) Loss for the year (in INR Crores)	(85.34)	(78.02)
b) Weighted average number of equity shares (units)	2,85,00,00,000	41,64,38,356
c) Basic and Diluted Loss per share (INR) (a/b)	(0.30)	(1.87)

42 Financial Risk Management

Financial risk factors

The Company's activities exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk.

The Company's risk management is carried out by the Company's treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

This note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises of three types of risks: interest rate risk, currency risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk mainly includes loans given and borrowings, financial assets and liabilities in foreign currency, investments in quoted instruments and derivative financial instruments.

i. Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company's exposure to the risk of changes in interest rate primarily relates to the Company's debt obligations with floating interest rates.

The Company is exposed to the interest rate fluctuation in domestic as well as foreign currency borrowing. The Company's main interest rate risk arises from borrowings with variable interest rates, which exposes the Company to cash flow interest rate risk. The Company tries to manage its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings to the highest extent possible. The Company may enter into borrowings at variable interest rates and swap them into fixed rates that are lower than those available if the Company borrowed at fixed rate directly. During year ended 31st March 2026 and 31st March 2025 the Company's borrowings at variable rates were mainly denominated in INR and USD.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting year are as follows:

	31st March 2026	31st March 2025
Variable rate borrowings	738.22	635.76
Fixed rate borrowings	385.00	467.50
Total borrowings	**1,123.22**	**1,103.26**

Interest rate sensitivity

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

	Increase/ Decrease in Basis Points	Effect on profit before tax - Decrease / (increase)
31st March 2026		
Base Rate	+50	3.69
Base Rate	-50	(3.69)
31st March 2025		
Base Rate	+50	3.18
Base Rate	-50	(3.18)

ii.Foreign currency 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 has international operations and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and SAR. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company measures its risk through a forecast of highly probable foreign currency cash flows. The Company hedges its foreign exchange risk using Exchange Earners' Foreign Currency Account. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company has a policy to keep minimum forex exposure on the books that are likely to occur within a 12-month period for hedges of forecasted sales. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. During the year ended 31st March 2026 and 31st March 2025, the Company did not have any hedging instruments with terms which were not aligned with those of the hedged items.

When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted to the point of settlement of the resulting receivable that is denominated in the foreign currency.

Aquapharm Chemical Limited PUNE

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Notes forming part of Standalone Financial Statements for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

The Company's exposure to foreign currency risk at the end of the year expressed in INR Crores are as follows:

31st March 2026

Financial Assets	USD	EURO	SAR
Trade Receivables and Other Financial Assets	114.90	5.49	12.49
Cash and cash equivalents	7.38	2.56	-
Loans	-	-	8.36
Net Exposure to foreign currency risk (Assets)	**122.28**	**8.05**	**20.85**

31st March 2026

Financial Liabilities	USD	EURO	SAR
Borrowings	76.50	-	-
Trade Payables (Including Payables for purchase of property, plant & equipment)	21.57	1.43	-
Net Exposure to foreign currency risk (Liabilities)	**98.07**	**1.43**	**-**
Net Exposure to foreign currency risk	**24.21**	**6.62**	**20.85**

31st March 2025

Financial Assets	USD	EURO	SAR
Trade Receivables and Other Financial Assets	103.17	37.59	9.99
Cash and cash equivalents	10.70	3.83	-
Loans	-	-	8.14
Net Exposure to foreign currency risk (Assets)	**113.87**	**41.42**	**18.13**

31st March 2025

Financial Liabilities	USD	EURO	SAR
Borrowings	68.47	-	-
Trade Payables (Including Payables for purchase of property, plant & equipment)	63.98	6.83	-
Net Exposure to foreign currency risk (Liabilities)	**132.45**	**6.83**	**-**
Net Exposure to foreign currency risk (Assets (-) Liabilities)	**(18.58)**	**34.59**	**18.13**

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, EUR and SAR 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. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company's exposure to foreign currency changes for all other currencies is not material. With all the other variables held constant, the Company's profit before tax is affected through the impact on change of foreign currency rate as follows-

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity	Change in SAR rate	Effect on profit before tax / pre-tax equity
31st March 2026	+2%	0.48/0.48	+2%	0.13/0.13	+2%	0.42/0.42
	-2%	(0.48)/(0.48)	-2%	(0.13)/(0.13)	-2%	(0.42)/(0.42)
31st March 2025	+2%	(0.37)/(0.37)	+2%	0.69/0.69	+2%	0.36/0.36
	-2%	0.37/0.37	-2%	(0.69)/(0.69)	-2%	(0.36)/(0.36)

Aquapharm Chemical Limited PUNE

(All amounts are in INR Crores, unless otherwise stated)

Financial Risk Management

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

i. Trade receivables

Credit risk arises from the possibility that customer will not be able to meet their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. For expected credit loss, refer note 10. Trade receivables are non interest bearing.

The Company's customer profile for customer contracts include large private corporates. Accordingly, the Company's customer credit risk is low. General payment terms include advances and payments with a credit period ranging from 30 to 180 days.

The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation and based on assessment performed management has concluded that impact of expected credit loss is not material and current provision made against trade receivable is adequate to cover the provision on account of expected credit loss (Refer note 11 for further details).

Reconciliation of loss allowance provision - Trade receivables is as follows :

Particulars	31st March 2026	31st March 2025
Opening balance	0.32	0.38
Charge / (reversal) in allowance during the year (net)	-	(0.06)
Closing balance	**0.32**	**0.32**

ii. Financial assets and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Other financial assets that are potentially subject to credit risk consists of inter corporate loans. The Company assesses the recoverability from these financial assets on regular basis. Factors such as business and financial performance of counterparty, their ability to repay, regulatory changes and overall economic conditions are considered to assess future recoverability. The Company charges interest on such loans at arms length rate considering counterparty's credit rating. Based on the assessment performed, the Company considers all the outstanding balances of such financial assets to be recoverable as on balance sheet date and no provision for impairment is considered necessary.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March 2026 and 31st March 2025 is the carrying amounts of each class of financial assets.

(c) Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities which will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 - 180 days. Trade payable are non interest bearing. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1-3 years	3-5 years	More than 5 years	Total
As at 31st March 2026					
Borrowings	395.58	653.59	74.05	-	1,123.22
Trade Payables	85.94	-	-	-	85.94
Lease Liabilities	0.23	0.10		-	0.33
Other Financial Liabilities	119.72	-	-	-	119.72
Total	**601.47**	**653.69**	**74.05**	**-**	**1,329.21**
As at 31st March 2025					
Borrowings	279.62	475.41	328.18	20.05	1,103.26
Trade Payables	150.21	-	-	-	150.21
Lease Liabilities	0.22	0.34		-	0.56
Other Financial Liabilities	178.86	-	-	-	178.86
Total	**608.91**	**475.75**	**328.18**	**20.05**	**1,432.89**

Aquapharm Chemical Limited PUNE

43 Fair value measurements

a) Financial Instruments by Category

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 approximations of fair values as of the year end.

Particulars	31st March 2026			31st March 2025		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Trade receivables	-	-	183.27	-	-	195.18
Loans	-	-	8.36	-	-	8.14
Cash and cash equivalents (including other bank balances)	-	-	44.86	-	-	46.47
Other financials assets	-	-	23.17	-	-	21.88
Total financial assets	**-**	**-**	**259.66**	**-**	**-**	**271.67**
Financial liabilities						
Borrowings	-	-	1,123.22	-	-	1,103.26
Lease Liabilities	-	-	0.32			0.51
Trade Payables	-	-	85.94	-	-	150.21
Other financial liabilities	-	-	119.72	-	-	178.86
Total Financial Liabilities	**-**	**-**	**1,329.20**	**-**	**-**	**1,432.84**

Investment in subsidiaries amounting to Rs 273.90 Crores (31st March 2025: Rs. 273.90 Crores) is recognised at cost and not included in the table above.

b) Financial assets and liabilities measured at amortised cost

The management assessed that cash and cash equivalents, other bank balances, loans, trade receivables, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

Aquapharm Chemical Limited PUNE

(All amounts are in INR Crores, unless otherwise stated)

44 Capital Management

a) Risk Management:

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating, healthy capital ratios in order to support its business and maximise shareholder value and optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt interest bearing loans and borrowings less cash and cash equivalents.

The net debt to equity ratio for the current year increased from 39% to 41% as a result of increase in the working capital borrowing which has resulted in increase in borrowings as at year end.

The following table summarises the capital structure of the Company:

	As at 31st March 2026	As at 31st March 2025
Long Term Borrowings (including current maturities of long term debt and Interest accrued but not due on borrowings)	910.37	1,001.68
Short Term Borrowings	219.00	108.46
Less: Cash and Cash equivalents	(43.54)	(38.54)
Net Debt	**1,085.83**	**1,071.60**
Equity share capital	2,850.00	2,850.00
Other equity	(199.15)	(114.06)
Total equity	**2,650.85**	**2,735.94**
Net debt to equity ratio	41.0%	39.2%

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

Aquapharm Chemical Limited PUNE

45 Financial Performance Ratios

Ratio	Numerator	Denominator	31st March 2026	31st March 2025	% Variance	Reason for variance for change in ratio by more than 25%
Debt-Equity Ratio	Total Debt (Non current borrowing + Current borrowing)	Total Equity	0.42	0.40	5.93%	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service (Interest+ Principal Loan repayment)	0.45	0.50	-9.99%	
Interest Service Coverage Ratio	EBIT (Profit Before Tax +Finance Costs)	Finance Costs	(0.35)	(0.04)	733.81%	On account for decreased Earning before interest and tax
Net Worth (Rs Crore)	NA	NA	2,650.85	2,735.94	-3.11%	
Net Profit after tax (Rs Crore)	NA	NA	(85.34)	(78.02)	9.39%	
Loss per share (Basic and Diluted)	Loss for the year	Weighted average number of equity shares	(0.30)	(1.87)	-84.02%	On account of change in weighted average number of shares
Current Ratio	Total Current Assets	Total Current Liabilities	0.63	0.83	-23.87%	
Current Liability Ratio	Total Current Liabilities	Total Liabilities	0.45	0.43	5.73%	
Long Term Debt to Working Capital	Non current borrowings including current maturities of long-term debt	Current Assets (-) Current Liabilities excluding current maturities of long term debt	- *	15.60	-100.00%	Changes in working capital
Bad Debts to Account receivable Ratio	Bad Debt (including Provision for Bad Debts)	Trade Receivables	NA	NA	NA	
Total Debts to Total Assets	Total Debt	Total Assets	0.28	0.26	6.45%	
Debtor Turnover-Days	Sales(Sales of Finished Goods and Traded Goods)	Trade Receivables	84.33	92.88	-9.21%	
Inventory Turnover-Days	Sales(Sales of Finished Goods and Traded Goods)	Inventories	57.39	106.37	-46.04%	Decrease in inventories
Operating Margin (%)	Operating Profit	Revenue from Operations	9.45%	10.90%	-13.27%	
Net Profit Margin (%)	Net Profit (Profit after Tax)	Revenue from Operations	(10.76%)	(10.17%)	5.77%	
Return on Equity Ratio	Profit after tax	Average Equity	(3.17%)	(2.81%)	12.69%	
Trade Payables turnover ratio	Cost of raw materials consumed	Average Trade Payables	3.79	4.48	-15.45%	
Net capital turnover ratio	Total Sales	Closing Working Capital	(3.48)	(7.04)	-50.48%	
Return on Capital Employed	Earning before interest and tax	Closing Capital Employed	(0.07%)	0.15%	-148.51%	On account for decreased Earning before interest and tax
Return on investment	Gain on sale of investments	Monthly Average Mutual Fund	1.89%	13.75%	-86.24%	Higher return on investment linked to market in previous year

*net working capital is negative

1 Earnings available for debt service = Net profit after tax+ Depreciation and amortization expense + Finance costs excluding interest on lease liabilities+net loss/(gain) on foreign currency transaction+loss/(gain) on disposal of property,plant and equipment

2 Finance costs = Interest expenses on debts and borrowings+Other borrowing costs+net loss/(gain) on foreign currency transaction-interest on Lease liabilities

3 Inventories = Raw Materials + Finished Goods + Stores and spares parts (including packing material)

4 Operating Profit = (Profit Before Tax +Depreciation and amortization expenses+Finance Costs-Payment of Lease Liability+Net loss / (gain) on foreign currency transaction+Loss/ (gain) on disposal of property, plant and equipment -Other Income)

5 Closing Capital Employed = Total Equity + Total borrowings + Deferred tax liabilities

46 Code on Social Security, 2020

The government of India has notified the implementation of Code on Wages, 2019, Code on Social Security 2020, Industrial Relations code 2020 and Occupational Safety, Health and Working Conditions Code 2020 (collectively referred to as the "New Labour codes") effective 21st November 2025. Based on management's assessment and actuarial valuation, an additional liability of Rs. 11.54 crores arising from the implementation of the aforesaid new labour codes has been recognized in the standalone financial statements as exceptional items for the year ended 31st March 2026 . The corresponding supporting rules under these codes are yet to be notified. Accordingly, the incremental adjustment (if any) will be recognized once the rules are notified.

Aquapharm Chemical Limited PUNE

47 Scheme of Amalgamation

The Board of Directors of Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited") ("Transferee Company") and the Board of Directors of Aquapharm Chemicals Private Limited ("ACPL" or "Transferor Company"), a wholly owned subsidiary of ACL, at their respective meetings held on 1st August 2024 approved the Scheme of Amalgamation of ACPL with the Company and their respective shareholders under Section 233 and other applicable provisions of the Companies Act, 2013 ("Scheme").

The Central Government through the Regional Director, Western Region, Ministry of Corporate Affairs ("Regional Director") vide order dated 06th December 2024 approved the Scheme. The Order was filed with ROC on 1st January 2025, which was also considered as the effective date in terms of the Scheme ("Effective Date") and consequently ACPL stands amalgamated with the Company and ACPL ceased to exist as a separate entity.

The aforesaid amalgamation has been accounted in the books of accounts of the Company pursuant to the 'pooling of interests method' in accordance with Appendix C of Ind AS 103 - Business Combinations during the year ended 31st March 2025.

Pursuant to aforesaid amalgamation and consequent change in tax base of the assets, deferred tax liability of INR 554.20 crores is reversed through standalone statement of profit and loss in the year ended 31st March 2025.

The Company has further performed impairment assessment of goodwill arisen on acquisition of ACPL and has accounted for impairment loss of INR 554.72 crores based on valuation done by external valuer in the year ended 31st March 2025 (refer note 5a). The impairment assessment was triggered by aforesaid reversal of deferred tax liability and consequent increase in Cash Generating Unit, on account of amalgamation.

The aforesaid reversal of deferred tax liabilities and impairment of goodwill have been recognised as exceptional items in the standalone financial statements during the year ended 31st March 2025.

Aquapharm Chemical Limited
PUNE

48 Additional regulatory information required by Schedule III

i Relationship with Struck off Companies

The Company has no transaction with the Companies struck off under Companies Act, 2013 or Companies Act, 1956.

ii Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i. 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

ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii a) The Company has defined process to take daily back up of books of account maintained electronically and kept on servers physically located in India except for an application in respect of which the backup is stored in tape drives.

b) The Company has used 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 except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Additionally, for one of the applications, in the absence of Service Organisation Controls report, we are unable to assess whether the audit trail at database level was enabled as per the statutory requirements. Further, there are no instances of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled. Additionally, at the application level, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

iv The Company has incurred average net loss in the period of three immediately preceding financial years and hence, it is not required to spend any money under sub-section 5 of section 135 of the Companies Act, 2013. However, the Company has suo moto spent INR 0.19 Crores during the current financial year.

v The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Group has 4 Core Investment Companies as part of the Group.

49 Subscriptions and donations

The Company has contributed INR Nil (31st March 2025 : INR 9.50 Crores) to an electoral trust under section 182 of the Companies Act, 2013.

50 The above standalone financial statements of the Company were approved for issue in accordance with a resolution passed by the Board of Directors at their meeting held on 23rd April 2026.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

22, Camac Street
3rd Floor, Block 'B'
Kolkata - 700 016, India
Tel : +91 33 6134 4000

INDEPENDENT AUDITOR'S REPORT

To the Members of Aquapharm Chemical Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aquapharm Chemical Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2026, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition (Refer Note 2.3(a) and Note 26 of the Consolidated Financial Statements)	
The Group's revenue is derived primarily from sale of products. Revenue is recognised net of taxes and return at an amount that reflects the consideration, which the Group is entitled to receive for those goods from customers when the Group satisfies the performance obligation by transferring the goods or service to a customer. The Group uses different types of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. The performance obligations in the contracts may be fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms. Timing of revenue recognition has been identified as a key audit matter considering there is involvement of judgement in determining of timing of recognizing the revenue / transfer of control. Accordingly, we have identified revenue recognition as a key audit matter.	Our audit procedures comprised of the following: a. Read and evaluated the Group's policy for revenue recognition and assessed its compliance with "Ind AS 115- Revenue from contracts with customers". b. Assessed the design and tested the operating effectiveness of internal controls related to revenue. c. Verified on test check basis, sales transactions and inspected the underlying sales orders, invoice copies, terms of delivery, lorry receipts, bill of lading as per the terms of the contract with customers. d. Verified on test check basis, sales transactions made close to year-end date. Agreed the period of revenue recognition to underlying documents such as sales orders, invoice copies, terms of delivery, lorry receipts, bill of lading as per the terms of the contract with customers. We have assessed manual journals posted to revenue to identify unusual or irregular items. e. Assessed the adequacy of disclosures in accordance with requirements of Ind AS 115.
Impairment assessment of certain Intangible assets (including Goodwill)- Refer Note 2.3(k) and Note 5(a) of the Consolidated Financial Statements	
The acquisition of Aquapharm Chemicals Private Limited by Advaya Chemical Industries Limited ("the Company") in an earlier year and thereafter amalgamation of Aquapharm Chemicals Private Limited with the Company has resulted in recognition of goodwill (March 31, 2026- Rs. 606.76 crores) arising from business combinations and capitalization of certain identified intangible assets (including customer relationships- Rs. 1,562.72 crores, know-how and Intellectual Property rights- Rs. 417.18 crores).	Our audit procedures comprised of the following: a. Obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment of such Intangible assets. b. Obtained and read the report of the management's expert to evaluate the reasonableness of the methodology and key assumptions used by management and its expert used for impairment testing of certain Intangible assets (including Goodwill). Evaluated the

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Key audit matters	How our audit addressed the key audit matter
For assessment, the Holding Company has engaged an independent valuer to determine the recoverable value of these Intangible assets (including Goodwill) based on discounted cash flow method which is complex and is sensitive to underlying assumptions especially those relating to cash flow forecasts including future business growth and the application of an appropriate discount rate, which are inherently subjective. Accordingly, impairment assessment of certain Intangible assets (including Goodwill) is determined to be a key audit matter in our audit of the consolidated financial statements.	competence, objectivity and independence of the management's expert. c. In performing the above procedures, we involved internal valuation specialists to perform an independent review of methodology and key assumptions (relating to cash flow forecasts, discount rate etc) used in the valuation. We also evaluated the objectivity and competence of such internal valuation specialists involved in such independent review. d. Obtained suitable management representations on projections of future cash flows and the various assumptions used in the valuation. Discussed with the management to understand and assess if there was any inconsistency in the assumptions used in the cash flow projections. Evaluated managements sensitivity analysis around the key assumptions. e. Tested the arithmetical accuracy of the financial projections. f. Read and assessed the relevant disclosures made within the consolidated financial statements.

We have determined that there are no other key audit matters to communicate in our report.

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

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

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these

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consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

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estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of three (3) subsidiaries, whose financial statements include total assets of Rs 159.20 crores as at March 31, 2026, and total revenues of Rs 240.25 crores and net cash outflows of Rs 1.26 crores for the year ended on that date. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

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(b) The consolidated financial statements of the Company for the year ended March 31, 2025, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements vide their report dated April 23, 2025.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As there are no subsidiaries incorporated in India, this report does contain a separate report on the matters specified in paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Holding Company as far as it appears from our examination of those books except that- (a) the backup of the certain books of account and other books and papers maintained in electronic mode has not been kept on servers physically located in India on daily basis as explained in note 49(iii)(a), and (b) for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g); refer note 49(iii)(b) to the consolidated Financial statements. The requirements for maintaining back up of books of account on daily basis is not applicable to the subsidiaries incorporated outside India and hence not commented upon;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act. There are no subsidiaries incorporated in India;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) vi below on reporting under Rule 11(g);

(g) As there are no subsidiaries incorporated in India, this report does not contain a separate report on the internal financial controls with reference to consolidated financial statements of the Group under clause (i) of sub-section 3 of section 143 of the Act;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. There are no subsidiaries incorporated in India;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 36 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, incorporated in India during the year ended March 31, 2026. There are no subsidiaries incorporated in India;

iv. a) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, as disclosed in the note 49(ii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. There are no subsidiaries incorporated in India;

b) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, as disclosed in the note 49(ii) to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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. There are no subsidiaries incorporated in India; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement. There are no subsidiaries incorporated in India; and

v. No dividend has been declared or paid during the year by the Holding Company. There are no subsidiaries incorporated in India;

vi. Based on our examination which included test checks, the Holding Company has used 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

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transactions recorded in the software, except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights, as described in note 49(iii)(b) to the consolidated financial statements. Additionally, in the absence of Service Organisation Controls report, we are unable to assess whether the audit trail at database level was enabled as per the statutory requirements, as described in note 49(iii)(b) to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled. Additionally, the audit trail of prior year(s) has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.
The Group does not have any subsidiaries incorporated in India. Thus, the reporting requirement for audit trail is not applicable for such subsidiaries.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership Number: 066943

UDIN: 26066943VGBVIY3138

Place of Signature: Mumbai
Date: April 23, 2026

S.R. Batliboi & Co. LLP Kolkata

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Consolidated Balance Sheet as at 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current Assets			
Property, plant and equipment	4a	806.43	508.12
Capital work-in-progress	4b	78.18	317.95
Goodwill	5a	606.76	606.76
Other intangible assets	5b	1,979.93	2,072.28
Right of use assets	4c	63.65	67.37
Financial assets			
(i) Investments	6	0.01	0.01
(ii) Other financial assets	7	6.13	5.75
Non current tax assets (net)	20	18.82	8.88
Deferred tax assets (net)	19	24.02	-
Other non-current assets	8	6.62	3.25
Total Non-current Assets		**3,590.55**	**3,590.37**
Current Assets			
Inventories	9	234.64	354.93
Financial assets			
(i) Trade receivables	10	302.71	311.47
(ii) Cash and cash equivalents	11	88.31	64.88
(iii) Other bank balances	12	3.30	9.65
(iv) Other financial assets	13	3.48	3.03
Other current assets	14	27.07	42.11
Total Current Assets		**659.51**	**786.07**
Total Assets		**4,250.06**	**4,376.44**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,850.00	2,850.00
Other equity	16	(87.44)	(55.33)
Equity attributable to owners of the parent company		**2,762.56**	**2,794.67**
Non-controlling interests	47	(2.48)	(2.05)
Total Equity		**2,760.08**	**2,792.62**
Liabilities			
Non-current Liabilities			
Financial liabilities			
i) Borrowings	17	727.64	823.64
ii) Lease Liabilities	4d	4.52	7.88
Provisions	18	14.64	4.16
Deferred tax liabilities (net)	19	-	5.71
Total Non-current Liabilities		**746.80**	**841.39**
Current Liabilities			
Financial liabilities			
(i) Borrowings	21	440.11	311.64
(ii) Lease Liabilities	4d	4.11	3.84
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	22	4.87	3.84
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	140.08	223.12
Other financial liabilities	23	135.46	181.70
Provisions	24	6.91	5.79
Current tax liabilities (net)	20	2.46	0.73
Other current liabilities	25	9.18	11.77
Total Current Liabilities		**743.18**	**742.43**
Total Liabilities		**1,489.98**	**1,583.82**
Total Equity & Liabilities		**4,250.06**	**4,376.44**

Summary of material accounting policy information 2
The accompanying notes form an integral part of Consolidated Financial Statements.

This is Consolidated Balance Sheet referred to in our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

S R Batliboi & Co. LLP Kolkata

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Consolidated Statement of Profit and Loss for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
Revenue from operations	26	1,442.73	1,419.80
Other income	27	2.29	11.27
Total income		**1,445.02**	**1,431.07**
Expenses			
Cost of raw materials consumed	28	866.77	882.45
Purchases of Stock-in-Trade		1.82	3.49
Changes in inventories of finished goods & work-in-progress	29	28.00	6.08
Employee benefits expense	30	159.79	143.68
Finance costs	31	106.47	107.51
Depreciation and amortization expense	32	143.37	128.09
Other expenses	33	226.73	201.69
Total expenses		**1,532.95**	**1,472.99**
Loss before tax and exceptional items		**(87.93)**	**(41.92)**
Exceptional items :			
Impairment of Goodwill (refer note 45)		-	554.72
Reversal of deferred tax liability pursuant to restructuring (refer note 45)		-	(554.20)
Impact of change in labour codes (refer note 48)		11.54	-
Total exceptional items		**11.54**	**0.52**
Loss before tax		**(99.47)**	**(42.44)**
Income tax expense:			
Current tax	20	3.21	17.59
Deferred tax	19	(31.21)	(30.89)
Tax expense/(credit) relating to earlier years	20	(2.77)	-
Total tax expense / (credit)		**(30.77)**	**(13.30)**
Loss for the year		**(68.70)**	**(29.14)**
Other Comprehensive Income / (Loss) (OCI)			
Items that will not be reclassified to profit or loss (A)			
Remeasurements of post employment defined benefit plans		0.34	0.02
Income tax relating to above		(0.09)	(0.05)
Total (A)		**0.25**	**(0.03)**
Items that will be reclassified to profit or loss (B)			
Net movement on cash flow hedges		-	0.22
Income tax relating to above		-	(0.06)
Exchange differences on translation of foreign operations		35.92	8.10
Total (B)		**35.92**	**8.26**
Other comprehensive income / (loss) for the year, net of tax (A+B)		**36.17**	**8.23**
Total comprehensive Income / (Loss) for the year		**(32.53)**	**(20.91)**

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Aquapharm Chemical Limited PUNE

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Consolidated Statement of Profit and Loss for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit / (Loss) for the year attributable to:			
Owners of the Parent		(68.50)	(28.79)
Non-controlling interests		(0.20)	(0.35)
Total (C)		**(68.70)**	**(29.14)**
Other comprehensive Income / (Loss) attributable to:			
Owners of the Parent		36.40	8.38
Non-controlling interests		(0.23)	(0.15)
Total (D)		**36.17**	**8.23**
Total comprehensive Income / (Loss) attributable to :			
Owners of the Parent		(32.10)	(20.41)
Non-controlling interests		(0.43)	(0.50)
Total Comprehensive Income, net of tax (C+D)		**(32.53)**	**(20.91)**
Earnings per equity share :			
Basic Loss Per Share (LPS) (in INR)	40	(0.24)	(0.69)
Diluted Loss Per Share (LPS) (in INR)	40	(0.24)	(0.69)
(Nominal value per share: INR 10 (31st March 2025: INR 10))			

Summary of material accounting policy information 2
The accompanying notes form an integral part of Consolidated Financial Statements.

This is Consolidated Statement of Profit and Loss referred to in our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Consolidated Statement of Cash flows for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
A. Cash flows from operating activities		
Loss before tax	(99.47)	(42.44)
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	143.37	128.09
Net movement in exceptional items (refer note 48)	11.54	0.52
Provision for doubtful debts	2.02	0.00
(Profit) / Loss on sale of property, plant and equipment	(0.61)	(0.09)
(Profit) / Loss on sale of investments	(0.55)	(3.18)
Finance costs	106.47	107.51
Interest income	(0.66)	(1.17)
Unrealized foreign exchange difference (net)	3.86	0.54
Operating profit before working capital changes	**165.97**	**189.78**
Changes in operating assets and liabilities		
Decrease/(Increase) in trade receivable	25.43	(46.10)
Decrease/(Increase) in inventories	134.73	(63.83)
Decrease/(Increase) in other financial assets	(0.98)	(3.87)
Decrease/(Increase) in other non current assets	(2.95)	-
Decrease/(Increase) in other current assets	15.65	(11.68)
Increase/(Decrease) in trade payables	(99.94)	79.09
Increase/(Decrease) in provisions	0.14	0.33
Increase/(Decrease) in other financial liabilities	(30.51)	(0.63)
Increase/(Decrease) in other current liabilities	(2.77)	1.69
Cash generated from operating activities	**204.75**	**144.77**
Income tax paid (net of refunds)	(6.53)	(22.81)
Net cash flows generated from operating activities (A)	**198.22**	**121.96**
B. Cash flows from / (used in) investing activities*		
Purchase of property, plant and equipment and intangible assets	(107.41)	(179.49)
Proceeds from sale of property, plant and equipment	1.24	1.44
Purchase of current investments	(348.80)	(191.19)
Proceeds from sale of current investments	349.35	231.23
Net movement in other bank balance	6.52	5.65
Interest Received	0.81	1.39
Net cash flows (used in) / from investing activities (B)	**(98.29)**	**(130.97)**
C. Cash flows from / (used in) financing activities*		
Proceeds from current borrowings	620.67	375.66
Proceeds from non-current borrowings	80.00	148.00
Repayment of current borrowings	(504.35)	(291.19)
Repayment of non-current borrowings	(170.19)	(160.32)
Payment to non-controlling interest for acquisition	-	(3.91)
Interest paid	(104.52)	(109.43)
Payment of prinicipal portion of lease liabilities (refer note 4(d))	(3.09)	(3.44)
Net cash flows generated / (used in) from financing activities (C)	**(81.48)**	**(44.63)**
I.Net increase/(decrease) in cash and cash equivalents (A+B+C)	**18.45**	**(53.64)**
II.Effect of exchange rate change in cash and cash equivalents	**4.99**	**1.15**
III.Cash and cash equivalents as at beginning of the year (refer note 11)	**64.88**	**117.37**
IV.Cash and cash equivalents as at year end (refer note 11) (I+II+III)	**88.31**	**64.88**

*There are no non cash investing and financing activities during the year. For additions to Right of use of assets, refer note 4(c).
Refer note 21 for changes in liabilities arising from financing activities.

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Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Consolidated Statement of Cash flows for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

Components of cash and cash equivalents:

	As at 31st March 2026	As at 31st March 2025
Balances with banks	88.29	64.85
Cash on hand	0.02	0.03
Total cash and cash equivalents	**88.31**	**64.88**

The accompanying notes form an integral part of Consolidated Financial Statements.

This is Consolidated Statement of Cash flows referred to in our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

S R Batliboi & Co. LLP Kolkata

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Consolidated Statement of Changes in Equity for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

A Equity Share Capital

	Note no	No. of shares (Units)	Amount
Equity Shares of INR 10 each issued, subscribed and fully paid up			
As at 1st April 2024		10,00,00,000	100
Shares issued during the year	15	2,75,00,00,000	2,750.00
As at 31st March 2025		**2,85,00,00,000**	**2,850.00**
Shares issued during the year	15	-	-
As at 31st March 2026		**2,85,00,00,000**	**2,850.00**

B Other Equity

	Reserves and surplus	Other reserves		Total	Non Controlling interests (NCI)	Grand Total
	Retained earnings	Foreign Currency Translation reserve	Cash flow hedge reserve			
As at 1st April 2024	**(27.83)**	**1.03**	**(0.16)**	**(26.96)**	**(5.60)**	**(32.56)**
Loss for the year	(28.79)	-	-	(28.79)	(0.35)	(29.14)
Other Comprehensive Income / (Loss) for the year (net of tax)	(0.03)	8.25	-	8.22	(0.15)	8.07
Payment to non-controlling interest for acquisition*	(7.96)	-	-	(7.96)	4.05	(3.91)
Transferred to Statement of Profit and Loss (Net)	-	-	0.16	0.16	-	0.16
As at 31st March 2025	**(64.61)**	**9.28**	**-**	**(55.33)**	**(2.05)**	**(57.38)**
Loss for the year	(68.50)	-	-	(68.50)	(0.20)	(68.70)
Other Comprehensive Income / (Loss) for the year (net of tax)	0.25	36.15	-	36.40	(0.23)	36.17
As at 31st March 2026	**(132.86)**	**45.44**	**-**	**(87.44)**	**(2.48)**	**(89.91)**

*Transactions with Owners in their capacity as Owners.

The accompanying notes form an integral part of Consolidated Financial Statements.

This is Consolidated Statement of Changes in Equity referred to in our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

Jai Prakash Yadav

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

For and on behalf of the Board of Directors of Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

Aquapharm Chemical Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026

1. Corporate information

The consolidated Ind AS financial statements comprise financial statements of Aquapharm Chemical Limited, formerly known as Advaya Chemical Industries Limited, ("the Parent Company") (CIN: U20299PN2024PLC227198) and its subsidiaries (collectively, "the Group") for the year ended 31st March 2026. The Parent Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Parent Company is located at 9th and 10th Floor, Amar Synergy, 12B, Sadhu Vaswani Road, Pune, Maharashtra, India. The Group is primarily engaged in the business of manufacturing and sale of basic and special chemicals used in detergents, soaps and other chemical industries. The Parent Company has issued Non-Convertible Debentures (NCD's) which are listed on BSE Limited w.e.f. 31st January 2024. Information on other related party relationship of the Group is provided in note no. 39 to the consolidated financial statements.

2. Accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time] and other relevant provisions of the Act. These consolidated financial statements have also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act, 2013 (IND AS Compliant Schedule III) as applicable to the consolidated financial statements.

The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including Derivative financial instruments)
- Plan assets of defined benefit employee benefit plans

The consolidated Ind AS financial statements are presented in Indian Rupees Crores, except when otherwise indicated. The consolidated Ind AS financial statements are prepared on a going concern basis.

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.2 Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights;
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31st March 2026. When the end of the reporting period of the parent company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent company to enable the parent company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how goodwill is accounted.

Aquapharm Chemical Limited PUNE

Eliminate in full intragroup assets and liabilities, equity, income, expenses relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Material accounting policy information

a) Revenue from contracts with customers

Ind AS 115 Revenue from contracts with customers standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

The five-step process that must be applied before revenue can be recognised:

- identify contracts with customers
- identify the separate performance obligation
- determine the transaction price of the contract
- allocate the transaction price to each of the separate performance obligations, and
- recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Group has following streams of revenue:

(i) Sale of goods / products :

The Group recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its

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present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time when control has been transferred.

Revenue is measured based on the transaction price, which is the consideration adjusted for price adjustments and sales returns, if any, as specified in the contracts with customers.

Revenue excludes tax collected from customers on behalf of government. Credit period given to customers are in the normal course of business and there are no financing component in the contract.

Contracts are modified to account for changes in contract specifications and requirements. The Group considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract.

(ii) Sale of service :

Revenue from sale of services is recognised when earned on the basis of contractual arrangement with buyer.

Advance from customer is recognised if a payment is received before the Group transfers the related goods or services. This is recognised as revenue when the Group transfers the control of the related goods or services.

For trade receivable, refer accounting policy in section 2.2 (i).

b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Aquapharm Chemical Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchanges rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income/other expense.

The Group uses forward contracts to hedge its exposure to movements in foreign exchange rates which are designated as cash flow hedges. To the extent these hedges are effective, the changes in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in cash flow hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

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

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet.
- Income and expenses are translated at average exchange rates
- All resulting exchange differences are recognised in other comprehensive income or profit and loss account.

On consolidation, exchange difference arising from the translation of any net investment in foreign entities, and of borrowing and other financial instruments designated as hedges of such investments are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange difference are classified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rate.

c) Income Taxes

Current income tax and Deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

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

Deferred tax liability is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax is recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by same taxation authorities on either same taxable entity or different taxable entities which intend either to settle the current tax assets and tax liabilities on a net basis or to realise the asset and settle the liability simultaneously.

d) Property, plant and equipment

Freehold land is carried at historical costs. Capital work in progress are carried at historical costs, net of accumulated impairment loss, if any. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. Such historical cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs if the recognition criteria are met.

When significant parts of the property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected to be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The Group, based on technical assessments made by technical experts and management estimates, depreciates the certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. Table below provide the details of the useful lives considered by Management with comparison with useful lives prescribed under Schedule II of the Companies Act, 2013:

Asset Category	**Useful Life considered#**	**Useful life (Schedule II)**
Factory Building ("Buildings")	15-39 Years *	30 Years
Residential Building ("Buildings")	60 Years	60 Years
Factory Roads ("Buildings)	10 Years	10 Years
Plant and Machinery (Other than Glass Lined Reactors and Condenser)	5-22 Years *	Plant and Machinery for continuous process plant- 25 years

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Asset Category	Useful Life considered#	Useful life (Schedule II)
Plant and Machinery (Glass Lined Reactors and Condenser)	5 Years *	Reactors - 20 Years
Furniture and fixtures	4-10 Years *	10 Years
Computers	3-5 Years *	3 Years
Office equipment	5 Years	5 Years
Electrical installations	10 Years	10 Years
Vehicles	3-4 Years *	8 Years
Windmill ("Plant and Machinery")	22 Years	22 Years
Laboratory Equipments ("Plant and Machinery")	10 Years	10 Years

* Considered on the basis of management's estimation, along with technical advice, of the useful lives of the respective assets.
# Residual value considered as 5% on the basis of management's estimation, along with technical advice.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used along with consideration of the climate related matters.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

e) Intangible Assets

Goodwill on acquisitions is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, or is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The

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Aquapharm Chemical Limited PUNE

amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The Group does not have any intangible assets with indefinite useful lives.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Computer software are amortised on a straight-line basis over a period of three years.

Customer-related intangibles and product-related intangibles identified as a part of business combination are amortised on a straight-line basis over a period of twenty-five years and twenty years respectively.

Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

f) Leases

As a Lessee:

The Group lease assets primarily consists of lease for land, buildings and plant & machinery. The Group assesses whether a contract contains a lease at the inception of the contract. Rental contracts are typically made for fixed periods, but have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and conditions. In case of lease payments made in advance for the total period of lease, the Group does not create any corresponding liability.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

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Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
Obsolete and slow-moving inventories are identified at the time of physical verification and are provided when necessary.

h) Employee benefits obligations

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly 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.

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

The obligations are presented as current liabilities in the balance sheet if the entity does not have an right to defer settlement at the end of reporting period.

(iii) Post-employment obligations
The Group operates the following post-employment schemes:
(a) Defined benefit plans in the nature of gratuity, and
(b) Defined contribution plans in the nature of provident fund.

Gratuity obligations
The liability or asset recognised in the balance sheet in respect of defined benefit 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 actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR 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.

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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.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

i) Trade receivables

Trade receivables are amounts receivable from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless there are significant financing components, when they are recognised at fair value. The Group measures them subsequently at amortised cost using the effective interest method, less loss allowance.

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

j) Investments and Other Financial assets

i) Classification & Recognition:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commit to purchase or sell the financial asset.

ii) Measurement:

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit

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or loss are expensed in profit or loss. However, trade receivables that does not contain a significant financing component are measured at transaction price.

Debt instruments: Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate EIR. The EIR amortisation is included in finance income in the profit or loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses and impairment expenses are presented as separate lines item in the financial statements.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Equity investment in subsidiaries are carried at historical cost.

iii) Impairment of financial assets

The Group assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The determination of significant increase in credit risk is given in Financial Risk Management note..

iv) Derecognition of financial asset

A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

k) Impairment of non-financial assets

Goodwill is not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Other Income and other operating revenue

i) Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in other income in the Statement of Profit and Loss.

ii) Dividends
Dividends are recognised in profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

iii) Windmill income - wind power generation
Income from wind power generation is recognised when earned on the basis of contractual arrangement with the buyer.

iv) Export incentives
Export of goods is eligible for incentives from Government as per Import-Export policies declared by the Government from time to time. Parent Company's export products are eligible for Duty drawback and Remission of Duties and Taxes on Exported Products (RODTEP). Rates for duty drawback vary according to products and destinations. The Group recognises duty drawback on receipt basis and RODTEP on accrual basis in the year of export.

m) Provisions and contingent liabilities

General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain

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future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o) Financial liabilities

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the company has an right to defer settlement of the liability at the end reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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p) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

q) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Segment Reporting

The Group is primarily engaged in the business of manufacturing and sales of basic and special chemicals which is the only reportable business segment (Chemical) in line with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors has been identified as being the CODM. Refer note 38 for segment information presented.

s) Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. However, Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is

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accounted for within equity. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.
Goodwill is tested for impairment annually, or more frequently when there is an indication that it may be impaired. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.4 Other accounting policies

a) Dividends

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

b) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

c) Exceptional items

When the items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the period, the nature and amount of such items are disclosed separately as exceptional item by the Group.

2.5 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Rules, 2024 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right

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In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The above amendment does not have any impact on the Company's consolidated financial statements.

3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates. Management also needs to exercise judgement in applying the Group's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.

Ind AS 116 - Leases

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices and equipment leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Defined benefit plans

The cost of the defined benefit plan and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase, employee turnover and expected return on planned assets. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. Details about employee benefit obligations and related assumptions are given in Note 35.

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Estimation of expected useful lives and residual values of property, plant and equipment

Property, plant and equipment are depreciated at historical cost using straight-line method based on the estimated useful life, taking into account any residual value. The asset's residual value and useful life are based on the Group's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.

For estimation in relation to impairment of Goodwill, refer note 5 (b) of the Consolidated Financial Statement.

For estimation in relation to Deferred tax, refer note 2 (c) of the Consolidated Financial Statement.

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Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Notes forming part of Consolidated Financial Statements for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

4 (a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings#	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Electrical Installations	Computers	Total
Gross carrying amount as at 1st April, 2025	**27.47**	**315.93**	**181.78**	**4.62**	**1.63**	**1.51**	**10.39**	**0.58**	**543.91**
Additions during the year	-	19.95	289.11	2.14	-	0.38	16.90	1.01	**329.49**
Disposals during the year	-	-	(0.14)	-	(1.58)	-	-	-	**(1.72)**
Translation adjustments	0.20	13.26	4.19	0.19	-	-	-	0.02	**17.86**
Gross carrying amount as at 31st March, 2026	**27.67**	**349.14**	**474.94**	**6.95**	**0.05**	**1.89**	**27.29**	**1.61**	**889.54**
Accumulated depreciation as at 1st April, 2025	-	**12.88**	**18.61**	**0.90**	**0.72**	**0.45**	**1.96**	**0.26**	**35.79**
Charge for the year (refer note 32)	-	13.04	28.55	1.03	0.23	0.40	2.87	0.31	**46.43**
Depreciation on disposals	-	-	(0.14)	-	(0.95)	-	-	-	**(1.09)**
Translation adjustments	-	0.99	0.93	0.06	-	-	-	0.00	**1.98**
Accumulated depreciation as at 31st March, 2026	-	**26.91**	**47.95**	**1.99**	**0.01**	**0.85**	**4.83**	**0.57**	**83.11**
Net carrying amount as at 31st March, 2026	**27.67**	**322.23**	**426.99**	**4.96**	**0.04**	**1.04**	**22.46**	**1.04**	**806.43**

Particulars	Land	Buildings#	Plant and Machinery	Furniture & Fixtures	Vehicles	Office equipment	Electrical Installation	Computers	Total
Gross carrying amount as at 1st April, 2024	**27.42**	**235.55**	**172.18**	**4.59**	**3.62**	**1.48**	**10.15**	**0.39**	**455.39**
Additions during the year	-	77.39	9.31	0.10	-	0.03	0.24	0.18	**87.25**
Disposals during the year	-	-	(0.67)	(0.04)	(2.00)	(0.00)*	-	-	**(2.71)**
Translation adjustments	0.05	2.99	0.96	(0.03)	-	-	-	0.00	**3.98**
Gross carrying amount as at 31st March, 2025	**27.47**	**315.93**	**181.78**	**4.62**	**1.63**	**1.51**	**10.39**	**0.58**	**543.91**
Accumulated Depreciation as at 1st April, 2024	-	**1.63**	**2.71**	**0.15**	**0.34**	**0.07**	**0.28**	**0.05**	**5.23**
Charge for the year (refer note 32)	-	11.17	16.25	0.87	1.29	0.39	1.68	0.20	**31.85**
Depreciation on disposals	-	-	(0.42)	(0.04)	(0.91)	(0.00)*	-	-	**(1.37)**
Translation adjustments	-	0.07	0.07	(0.08)	-	-	-	0.00	**0.08**
Accumulated Depreciation as at 31st March, 2025	-	**12.88**	**18.61**	**0.90**	**0.72**	**0.45**	**1.96**	**0.26**	**35.79**
Net carrying amount as at 31st March, 2025	**27.47**	**303.05**	**163.17**	**3.72**	**0.91**	**1.06**	**8.43**	**0.32**	**508.12**

Gross carrying amount and accumulated depreciation includes Rs. 190.59 Crores (31st March 2025 - Rs. 174.88 Crores) and Rs. 13.78 Crores (31st March 2025 - Rs. 6.51 Crores), respectively in respect of Buildings on Leasehold Land.

* Amount is below the rounding off norms adopted by the company.

There are no restrictions over the title of the Group's property, plant and equipment.

Refer note 36 for disclosure of capital commitments for the acquisition of property, plant & equipment.

Refer note 17 and 21 for information on property, plant and equipment charged as security by the Company.

No proceedings have been initiated or are pending against the Group for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made there under.

The Group has not revalued its property, plant and equipment during the year ended 31st March 2026 and 31st March 2025.

4 (b) Capital work-in-progress	31-Mar-26	31-Mar-25
Opening balance as at April 01	317.95	131.78
Additions during the year (refer note 1)	89.72	273.42
Capitalisation during the year	(329.49)	(87.25)
Closing balance as at March 31	**78.18**	**317.95**

Note 1:

During the year, the Group has capitalised the following expenses to cost of property, plant and equipments (capital work in progress):

Particulars	31-Mar-26	31-Mar-25
Employee benefit expense	-	0.91
Interest cost	-	3.69
Other expenses	-	1.61
Total	-	**6.21**
Add: balance brought forward from previous year	9.02	2.81
Less: capitalised during the year to Property, plant and equipment	(9.02)	-
Balance forming part of Capital work-in-progress	-	**9.02**

Capital work in progress mainly comprises of amounts pertaining to plant and machinery, electrical installation and other assets.

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Ageing of capital work-in-progress (CWIP):

CWIP as at 31st March 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	43.24	16.77	7.85	10.32	**78.18**

CWIP as at 31st March 2025	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	269.03	35.81	11.94	1.17	**317.95**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year ended 31st March 2026 and 31st March 2025. The Group evaluates the completion of projects based on its original plan, which are monitored on an ongoing basis.

There has been no projects that has been temporarily suspended during the year ended 31st March 2026 and 31st March 2025.

4 **(c) Right of use assets :**

The note provides information for leases where the Group is a lessee. The Group leases various land parcels, buildings and plant & machinery. Rental contracts are typically made for fixed periods, but have extension options.

(i) Assets recognised in balance sheet

Particulars	Leasehold Land	Leasehold Bulding	Plant & Machinery	Total
Gross carrying amount as at 1st April, 2025	**57.08**	**8.91**	**6.46**	**72.45**
Additions during the year	-	-	-	-
Translation adjustments	-	0.88	0.67	1.55
Gross carrying amount as at 31st March, 2026	**57.08**	**9.79**	**7.13**	**74.00**
Accumulated depreciation as at 1st April, 2025	**0.79**	**2.05**	**2.24**	**5.08**
Charge for the year (refer note 32)	0.76	2.02	1.81	4.59
Translation adjustments	(0.00)	0.33	0.35	0.68
Accumulated depreciation as at 31st March, 2026	**1.55**	**4.40**	**4.40**	**10.35**
Net carrying amount as at 31st March, 2026	**55.53**	**5.39**	**2.73**	**63.65**

Particulars	Leasehold Land	Leasehold Bulding	Plant & Machinery	Right of Use assets
Gross carrying amount as at 1st April, 2024	**57.00**	**8.08**	**6.30**	**71.38**
Additions during the year	0.08	0.61	-	0.69
Translation adjustments	-	0.22	0.16	0.38
Gross carrying amount as at 31st March, 2025	**57.08**	**8.91**	**6.46**	**72.45**
Accumulated Depreciation as at 1st April, 2024	**0.10**	**0.23**	**0.38**	**0.71**
Charge for the year (refer note 32)	0.69	1.80	1.83	4.32
Translation adjustments	0.00	0.02	0.03	0.05
Accumulated Depreciation as at 31st March, 2025	**0.79**	**2.05**	**2.24**	**5.08**
Net carrying amount as at 31st March, 2025	**56.29**	**6.86**	**4.22**	**67.37**

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The Group has not revalued its Right of Use assets during the year ended 31st March 2026 and 31st March 2025.

4 **(d) Lease Liabilities:**

The Group has made the payment for the complete period of lease with respect to the leasehold land. The lease liability pertains to buildings and plant & machinery taken on lease.

Lease liabilities	31-Mar-26			31-Mar-25		
	Non-current	Current	Total	Non-current	Current	Total
Leasehold Bulding	2.60	2.44	5.04	4.60	2.27	6.87
Plant & Machinery	1.92	1.67	3.59	3.28	1.57	4.85
Total	**4.52**	**4.11**	**8.63**	**7.88**	**3.84**	**11.72**

Movement of lease liabilities

Particulars	31-Mar-26	31-Mar-25
At the beginning of the year	11.72	14.55
Addition to lease liabilities during the year	-	0.61
Accretion of interest (refer note 31)	0.27	0.37
Payment/adjustments of lease liabilities	(3.36)	(3.81)
At the end of the year	**8.63**	**11.72**

The table below provides details regarding the contractual maturities of lease liabilities as at the year end on an undiscounted basis :

Particulars	31-Mar-26	31-Mar-25
Less than one year	4.25	3.84
One to five years	4.62	8.06
At the end of the year	**8.87**	**11.90**

(ii) Amount recognised in the Statement of Profit and Loss:

Particulars		31-Mar-26	31-Mar-25
Depreciation on right of use assets			
Leasehold Land	32	0.76	0.69
Leasehold Building	32	2.02	1.80
Plant & machinery	32	1.81	1.83
Interest expenses (included in finance cost)	31	0.27	0.37
Expenses related to short term leases, low value assets (included as rent in other expenses)	33	0.79	0.65

5a Goodwill

Goodwill represents the purchase consideration in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Particulars	As at 31st March 2026	As at 31st March 2025
Opening carrying amount	606.76	1,161.37
Impairment loss (refer note 45)	-	(554.72)
Translation adjustments	-	0.11
Closing carrying amount	**606.76**	**606.76**

Impairment test of Goodwill

The Group on an annual basis assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Goodwill of Rs. 1,161.29 Crores had arisen on acquisition of Aquapharm Chemicals Private Limited ("ACPL") during the year ended 31st March 2024.

During the previous year, pursuant to amalgamation of ACPL into Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited") ("ACL") (Refer Note 45) during the previous year and consequent change in tax base of the assets, deferred tax liability of Rs. 554.20 crores was reversed through statement of Profit and Loss and ACL had further performed impairment assessment of goodwill arisen on acquisition of ACPL and had accounted for impairment loss of Rs. 554.72 crores based on valuation done by an external valuer in the previous year.
The impairment assessment was triggered by aforesaid reversal of deferred tax liability and consequent increase in carrying amount of Cash Generating Unit, on account of amalgamation.

Remaining balance of Goodwill as on 31st March 2026 has been tested for impairment in the current year by the management and based on such testing, there is no further impairment of Goodwill.

Key Assumptions used for value in use calculations are as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Earnings before Interest Tax Depreciation, and Amortisation % in forecast period	16% - 20%	21% - 24%
Profit before tax % in forecast period	6% - 12%	18% - 22%
Growth rate used for extrapolation perpetuity rate	4%	4%
Discount rate (post tax)	13.70%	18.50%

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5 (b) OTHER INTANGIBLE ASSETS

Particulars	Computer software	Customer relationship	Knowhow and IP	Total
Gross carrying amount as at 1st April, 2025	1.05	1,710.80	467.80	2,179.65
Additions during the year	-	-	-	-
Gross carrying amount as at 31st March, 2026	**1.05**	**1,710.80**	**467.80**	**2,179.65**
Accumulated amortisation as at 1st April, 2025	0.49	79.65	27.23	107.37
Amortisation during the year (refer note 32)	0.52	68.43	23.39	92.35
Accumulated amortisation as at 31st March, 2026	**1.01**	**148.08**	**50.62**	**199.72**
Net carrying amount as at 31st March, 2026	**0.04**	**1,562.72**	**417.18**	**1,979.93**

Particulars	Computer software	Customer relationship	Knowhow and IP	Total
Gross carrying amount as at 1st April, 2024	1.05	1,710.80	467.80	2,179.65
AdditionsAdditions during the year	-	-	-	-
Disposals/ Adjustments	-	-	-	-
Translation adjustments	-	-	-	-
Closing gross carrying amount as at 31st March, 2025	**1.05**	**1,710.80**	**467.80**	**2,179.65**
Accumulated amortisation as at 1st April, 2024	0.07	11.48	3.90	15.45
Amortisation during the year (refer note 32)	0.42	68.17	23.33	91.92
Disposals/ Adjustments	-	-	-	-
Translation adjustments	-	-	-	-
Accumulated amortisation as at 31st March, 2025	**0.49**	**79.65**	**27.23**	**107.37**
Net carrying amount as at 31st March, 2025	**0.56**	**1,631.15**	**440.57**	**2,072.28**

The Group has not revalued its intangible assets during the year ended 31st March 2026 and 31st March 2025.

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		As at 31st March 2026	As at 31st March 2025
6	**INVESTMENTS - NON-CURRENT**		
	Investment in Equity instrument (measured at cost)		
	Investment in subsidiaries (Unquoted, fully paid up)		
	Aquapharm Foundation, India*	0.01	0.01
	9,999 (31st March 2025: 9,999) equity shares of INR 10 each (31st March 2025: INR 10 each) fully paid up		
		0.01	**0.01**
	Carrying value and market value of quoted and unquoted investments are as below:		
	Aggregate market value of quoted investments	-	-
	Aggregate carrying value of unquoted investments	0.01	0.01
	Aggregate amount of impairment in value of investments	-	-

The Group has complied with the number of layers prescribed under the Companies Act, 2013.
* Aquapharm Foundation is a Section 8 company not considered for consolidation since it can apply its income for charitable purposes only.

		As at 31st March 2026	As at 31st March 2025
7	**OTHER FINANCIAL ASSETS**		
	Non-current (Unsecured, considered good)		
	Deposits with remaining maturity of more than 12 months	0.33	0.65
	Security deposits	5.80	5.10
		6.13	**5.75**

Refer note 42 for fair value measurements.

		As at 31st March 2026	As at 31st March 2025
8	**OTHER NON-CURRENT ASSETS**		
	Unsecured, considered good		
	Capital advances	3.33	3.13
	Prepaid expenses	0.66	0.12
	Balances with Government Authorities	2.63	-
		6.62	**3.25**

		As at 31st March 2026	As at 31st March 2025
9	**INVENTORIES (At lower of cost and net realisable value)**		
	Raw Materials	72.79	116.09
	(includes packing material of Rs. 4.65 Crores (31st March 2025 : Rs. 3.24 Crores)		
	In transit	4.60	54.06
		77.39	**170.14**
	Work-in-progress	13.29	20.96
		13.29	**20.96**
	Finished goods	100.45	118.08
	In transit	35.46	38.17
		135.91	**156.25**
	Stores and spares	8.05	7.58
		234.64	**354.93**

Write-down of inventories amounted to INR 14.30 Crores (31st March 2025: INR 7.28 Crores). These were recognised as an expense/(gain) in consolidated statement of profit and loss of respective year.

Refer note 17 and 21 for information on inventories hypothecated as security by the Group.

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(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
10 TRADE RECEIVABLES		
Current		
Trade Receivables from others (unrelated parties)	305.19	311.79
Less: Loss Allowance (allowance for bad and doubtful debts) (refer note 41(b))	(2.48)	(0.32)
	302.71	**311.47**
Break-up of trade receivables		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	302.71	311.47
Trade receivables which have significant increase in credit risk	2.48	0.32
Trade receivables - credit impaired	-	-
	305.19	**311.79**
Less: Loss Allowance (allowance for bad and doubtful debts)	(2.48)	(0.32)
Total trade receivables	**302.71**	**311.47**

No trade or other receivable are due from directors or other officers of the Parent Company either severally or jointly with any other person.

Refer note 17 and 21 for information on trade receivables hypothecated as security by the Group.

The carrying amount of trade receivables may be affected by the changes in the credit risk of the counterparties as well as the currency risk as explained in note 41.

There are no disputed trade receivables as at 31 March, 2026 and 31 March, 2025.

There are no unbilled trade receivables as at 31 March, 2026 and 31 March, 2025.

Ageing of trade receivables as on 31st March 2026:

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total Receivables
Undisputed Trade receivables - considered good	235.72	51.46	7.25	0.11	0.03	8.14	302.71
Undisputed Trade receivables - which have significant increase in credit risk	-	0.28	2.16	0.04	-	-	2.48
Less : Allowance for significant increase in credit risk		(0.28)	(2.16)	(0.04)	-	-	(2.48)
	235.72	**51.46**	**7.25**	**0.11**	**0.03**	**8.14**	**302.71**

Ageing of trade receivables as on 31st March 2025:

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total Receivables
Undisputed Trade receivables - considered good	225.60	78.17	0.28	-	4.31	3.11	311.47
Undisputed Trade receivables - which have significant increase in credit risk	-	0.28	0.04	-	-	-	0.32
Less : Allowance for significant increase in credit risk	-	(0.28)	(0.04)	-	-	-	(0.32)
	225.60	**78.17**	**0.28**	**-**	**4.31**	**3.11**	**311.47**

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(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
11 CASH AND CASH EQUIVALENTS		
Balances with banks:		
In Current accounts	78.35	49.39
In EEFC accounts	9.94	14.52
Deposits with original maturity of less than 3 months	-	0.94
Cash on hand	0.02	0.03
	88.31	**64.88**

There are no repatriation restrictions with regards to cash & cash equivalents.

	As at 31st March 2026	As at 31st March 2025
12 OTHER BANK BALANCES		
Deposits with original maturity of more than 3 months but less than 12 months	3.30	9.65
	3.30	**9.65**

	As at 31st March 2026	As at 31st March 2025
13 OTHER FINANCIAL ASSETS		
Unsecured, considered good		
Interest accrued on deposits	0.07	0.23
Others*	3.41	2.80
	3.48	**3.03**

*This pertains to the amount receivable from the erstwhile promoters.

	As at 31st March 2026	As at 31st March 2025
14 OTHER CURRENT ASSETS		
Unsecured, considered good		
Export incentives receivable#	0.81	0.76
Prepaid expenses	1.80	2.33
Advances to suppliers	9.17	5.51
Balances with Government Authorities*	14.86	31.32
Contract Assets**	-	1.68
Others	0.43	0.51
	27.07	**42.11**

Export incentives receivable consist of amounts receivable from government authorities of India towards incentives on export sales made by the Company.

* Balances with Government Authorities primarily includes amounts realisable, if any, from the GST Authorities and Customs Authorities of India and the unutilised GST input credits on purchases to be utilised against future GST liabilities. These are generally realised within one year and hence these balances have been classified as current assets.

**There is no impairment allowance of the contract assets for current year.

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	As at 31st March 2026	As at 31st March 2025
15 EQUITY SHARE CAPITAL		
Authorized share capital		
4,00,00,00,000 Equity Shares of INR 10 each (31st March 2025 : 4,00,00,00,000 Equity Shares of INR 10 each)	4,000.00	4,000.00
Issued, subscribed & fully paid up share capital		
2,85,00,00,000 Equity Shares of INR 10 each fully paid up (31st March 2025 : 2,85,00,00,000 Equity Shares of INR 10 each fully paid up)	2,850.00	2,850.00

a Reconciliation of Authorised share capital number of shares and amount

	31st March 2026 (No. of Shares)	31st March 2026 (INR Crores)	31st March 2025 (No. of Shares)	31st March 2025 (INR Crores)
At the beginning of the year	4,00,00,00,000	4,000.00	4,00,00,00,000	4,000.00
At the end of the year	**4,00,00,00,000**	**4,000.00**	**4,00,00,00,000**	**4,000.00**

Total issued, subscribed & fully paid up equity share capital	**2,850.00**	**2,850.00**

b Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

	31st March 2026 (No. of Shares)	31st March 2026 (INR Crores)	31st March 2025 (No. of Shares)	31st March 2025 (INR Crores)
At the beginning of the year	2,85,00,00,000	2,850.00	10,00,00,000	100.00
Shares issued during the year	-	-	2,75,00,00,000	2,750.00
At the end of the year	**2,85,00,00,000**	**2,850.00**	**2,85,00,00,000**	**2,850.00**

Pursuant to the terms and conditions of unlisted optionally and fully convertible debentures ("OCDs"), the Parent Company has converted all 275,00,00,000 OCDs into one equity share of Rs. 10 each during the year ended 31st March 2025. Accordingly, the Parent Company has issued 220,00,00,000 and 55,00,00,000 equity shares of Rs. 10 each to PCBL Chemical Limited and PCBL (TN) Limited respectively.

c Terms and rights attached to equity shares:

The Parent Company has only one class of equity shares having par value of Rs. 10/- per share and each shareholder is entitled for one vote per share held. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

d Details of shareholders holding more than 5% shares in the Parent Company:

	As at 31st March 2026		As at 31st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
PCBL Chemical Limited (Immediate Holding Parent Company)	2,28,00,00,000	80.00%	2,28,00,00,000	80.00%
PCBL (TN) Limited (Wholly Owned Subsidiary of PCBL Chemical Limited)	57,00,00,000	20.00%	57,00,00,000	20.00%

e Details of shareholding of Promoters:

	As at 31st March 2026		
Promoter Name	**No. of Shares held**	**% of Holding**	**% Change**
PCBL Chemical Limited (Immediate Holding Parent Company)	2,28,00,00,000	80%	0%
PCBL (TN) Limited (Wholly Owned Subsidiary of PCBL Chemical Limited)	57,00,00,000	20%	0%

	As at 31st March 2025		
Promoter Name	**No. of Shares held**	**% of Holding**	**% Change**
PCBL Chemical Limited (Immediate Holding Parent Company)	2,28,00,00,000	80%	0%
PCBL (TN) Limited (Wholly Owned Subsidiary of PCBL Chemical Limited)	57,00,00,000	20%	0%

'Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.
The Schedule III disclosures requirement regarding bonus shares and forfeited shares are not applicable to the Parent Company.
There are no calls unpaid by Directors / Officers of the Parent Company.

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16 OTHER EQUITY

	As at 31st March 2026	As at 31st March 2025
Foreign Currency Translation Reserve		
Opening balance	9.11	1.01
Exchange differences on translation of foreign operations for the year	35.92	8.10
Closing Balance#	**45.03**	**9.11**

#This also includes allocation to Non controlling interests. Refer Consolidated Statement of Changes in Equity for further details.

	As at 31st March 2026	As at 31st March 2025
Retained earnings		
Opening Balance	(61.33)	(28.25)
Loss for the year	(68.70)	(29.14)
Payment to non-controlling interest for acquisition	-	(3.90)
Remeasurements of post employment defined benefit plans (net of tax)	0.25	(0.03)
Total Retained earnings	**(129.79)**	**(61.33)**

The total retained earnings also includes allocation to Non controlling interests. Refer Consolidated Statement of Changes in Equity for further details.

	As at 31st March 2026	As at 31st March 2025
Cash flow hedge reserve		
Opening balance	-	(0.16)
Transferred during the year to Statement of Profit and Loss	-	0.16
Created during the year	-	-
Closing Balance	-	-
Total Other equity	(84.76)	(52.22)
Less: Allocation to Non-controlling interests	2.68	3.11
Other equity attributable to owners	(87.44)	(55.33)
Non-controlling interests	(2.48)	(2.05)
Total other equity	**(89.92)**	**(57.38)**

Nature & purpose of reserves, other than retained earnings:

Retained Earnings - Retained earnings are the profits and losses that the Group has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders.

Foreign Currency Translation Reserve - Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve in equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

Cash flow hedge reserve - The Group uses forward contracts to hedge its exposure to movements in foreign exchange rates which are designated as cash flow hedges. To the extent these hedges are effective, the changes in fair value of the hedging instruments are recognised in the cash flow hedging reserve. Amounts recognised in cash flow hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

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	As at 31st March 2026	As at 31st March 2025
17 NON-CURRENT BORROWINGS		
Non-current borrowings (secured)		
Term Loans*		
Indian rupee loan from banks	205.05	146.20
Term loan from Non-Banking Financial Company ("NBFC")	314.17	381.10
Non-Convertible Debentures ("NCD")	385.00	467.50
Total Non-current borrowings	**904.22**	**994.80**
Current maturities of long term loans from banks (secured)	(27.03)	(20.60)
Current maturities of long term loans from NBFC (secured)	(67.05)	(68.06)
Current maturities of Non-Convertible Debentures (secured)	(82.50)	(82.50)
Net Amount	**727.64**	**823.64**

*The amount is net of INR 3.58 Crores (31st March 2025: INR 3.19 Crores), being unamortised portion of fees and charges paid upfront for those borrowings.

Notes:

Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited") (Parent Company):

a) Indian rupee term loan from bank of INR 126.40 Crores (31st March 2025: INR 146.20 Crores) carries floating interest rate. The term loan is secured by way of first charge on movable fixed assets of the Company, both present and future.

b) Loan from NBFC Rs 174.54 Crore (31st March 2025 : INR 211.73 Crores) is secured by way of 1st ranking pari-paasu charge on all movable fixeds and current assets, negative lien on immovable properties of the Company, Hypothecation on investments/loans and advances made in foreign subsidiaries by the Company and Non-Disposal Undertaking on equity shares of the foreign subsidiaries to the lenders of the Company with security cover of 1x or more in terms of the Deed of Hypothecation dated 20th March 2025. The term loan carries floating interest rate.

c) Loan from NBFC Rs 139.63 Crore (31st March 2025 : INR 169.37 Crores) is secured by way of 1st ranking pari-paasu charge on all movable fixed and current assets, negative lien on immovable properties of the Company, Hypothecation on investments/loans and advances made in foreign subsidiaries by the Company and Non-Disposal Undertaking on equity shares of the foreign subsidiaries to the lenders of the Company with security cover of 1x or more in terms of the Deed of Hypothecation dated 20th March 2025. The term loan carries floating interest rate.

d) The Non-Convertible Debentures of INR 385 Crores (31st March 2025 : INR 467.50 Crores) are secured by way of 1st ranking pari-paasu charge on all movable fixed and current assets, negative lien on immovable properties of the Company, Hypothecation on investments/loans and advances made in foreign subsidiaries by the Company and Non-Disposal Undertaking on equity shares of the foreign subsidiaries to the lenders of the Company with security cover of 1x or more in terms of the Deed of Hypothecation dated 20th March 2025 executed with the debenture trustee. NCD carries fixed interest rate.

e) Indian rupee term loan from bank of INR 40 Crores (31st March 2025: Nil) is secured by first pari passu charge over all movable fixed assets, current assets and intangible assets of borrower both present and future. The term loan carries floating rate of interest.

f) Indian rupee term loan from bank of INR 38.65 Crores (31st March 2025: Nil) is secured by first pari passu charge over all movable fixed assets and current assets of Company both present and future and negative lien on immovable properties of the Company. The term loan carries floating rate of interest.

	As at 31st March 2026	As at 31st March 2025
Maturity Profile of Long Term Borrowings from Banks (secured)		
Maturity of less than 1 year (6 instalments (31st March 2025: 3 instalments)	27.03	20.60
Maturity between 1 and 3 years (24 instalments (31st March 2025: 8 instalments)	103.97	52.27
Maturity between 3 and 5 years (15 instalments (31st March 2025: 8 instalments)	74.05	53.28
More than 5 years (Nil (31st March 2025: 3 instalments)	-	20.05
	205.05	**146.20**
Maturity Profile of Long Term Borrowings from NBFC(secured)		
Maturity of less than 1 year (8 installments (31st March 2025: 8 instalments)	67.05	68.06
Maturity between 1 and 3 years (16 installments (31st March 2025: 16 instalments)	247.12	189.37
Maturity between 3 and 5 years (Nil (31st March 2025: 8 instalments)	-	123.67
	314.17	**381.10**
Maturity Profile of NCD (secured)		
Maturity of less than 1 year (1 instalment (31st March 2025: 1 instalment)	82.50	82.50
Maturity between 1 and 3 years (2 instalments (31 March,2025 2 instalments)	302.50	233.75
Maturity between 3 and 5 years (Nil (31st March 2025: 1 instalment)	-	151.25
	385.00	**467.50**
Total	**904.22**	**994.80**

	As at 31st March 2026	As at 31st March 2025
18 PROVISIONS		
Non-current		
Provision for Gratuity (refer note 35)	11.17	1.35
Provision for Employee benefit obligations of Unique Solutions for Chemical Industries Co., Saudi Arabia (refer note 35)	3.47	2.82
	14.64	**4.16**

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(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2025	Recognized to Statement of Profit and Loss	Earlier year impact	Recognized to/ Reclassified from OCI	Exchange difference/FCTR	As at 31st March 2026
19 DEFERRED TAX LIABILITIES / (ASSETS) (NET)						
Deferred Tax Liabilities (A)						
Property, plant & equipment (including ROU and Intangible assets) : Impact of difference between tax depreciation and depreciation/amortization for financial reporting	197.09	86.83	5.78	-	0.48	290.18
Total (A)	**197.09**	**86.83**	**5.78**	**-**	**0.48**	**290.18**
Deferred Tax Assets (B)						
Expected credit loss	0.10	-	-	-	-	0.10
Expenditure allowed for tax purposes on payment basis	2.03	3.03	1.09	(0.09)	-	6.06
Brought forward losses and depreciation	184.50	114.31	2.63	-	0.95	302.39
Lease liabilities	0.28	0.01	-	-	(0.09)	0.20
Expenses deductible for tax purposes in future period	4.25	0.74	-	-	0.31	5.30
Others	0.22	(0.04)	(0.05)	-	0.02	0.15
Total (B)	**191.38**	**118.05**	**3.67**	**(0.09)**	**1.19**	**314.20**
Deferred Tax Liabilities/ (Assets) (Net) (A-B)	**5.71**	**(31.22)**	**2.11**	**0.09**	**(0.71)**	**(24.02)**

	As at 1st April 2024	Recognized to Statement of Profit and Loss	Deferred tax through OCI	Recognized to/ Reclassified from OCI	As at 31st March 2025
DEFERRED TAX LIABILITIES / (ASSETS) (NET)					
Deferred Tax Liabilities (A)					
Property, plant & equipment (including ROU and Intangible assets) : Impact of difference between tax depreciation and depreciation/amortization for financial reporting	603.10	(405.92)	-	(0.09)	197.09
Impact of fair valuation of mutual fund and bonds	1.61	(1.61)	-	-	-
Total (A)	**604.71**	**(407.53)**	**-**	**(0.09)**	**197.09**
Deferred Tax Assets (B)					
Expected credit loss	0.13	(0.03)	-	-	0.10
Expenditure allowed for tax purposes on payment basis	2.01	0.14	(0.11)	-	2.03
Brought forward losses and depreciation	-	184.50	-	-	184.50
Lease liabilities	2.91	(2.64)	-	0.01	0.28
Expenses deductible for tax purposes in future period	4.30	0.02	-	(0.07)	4.25
Others	4.63	(4.41)	-	-	0.22
Total (B)	**13.98**	**177.58**	**(0.11)**	**(0.06)**	**191.38**
Deferred Tax Liabilities (Net) (A-B)	**590.73**	**(585.11)**	**0.11**	**(0.03)**	**5.71**

Reconciliation of tax expense

	As at 31st March 2026	As at 31st March 2025
Accounting profit before income tax	(99.47)	(41.92)
Tax at India's statutory income tax rate of 25.17% (31st March 2025: 25.17%)	(25.03)	(10.55)
Tax expense/(credit) relating to earlier years	(2.77)	-
Tax rate difference	(4.87)	(7.26)
Corporate social responsibility	0.05	0.95
Subscriptions and donations	-	2.39
Deferred tax assets not recognised on losses	0.90	0.58
Other adjustments	0.95	0.59
Income tax expense	(30.77)	(13.30)
Income tax expense reported in the consolidated statement of Profit and Loss	(30.77)	(13.30)

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		As at 31st March 2026	As at 31st March 2025
20	**NON CURRENT TAX ASSETS (NET)**		
	Opening Current tax liabilities/(assets)	(8.15)	(2.98)
	Add: Current tax charge for the year	3.21	17.59
	Tax expense/(credit) relating to earlier years *	(4.88)	-
	Less: Tax paid	6.53	22.75
	Total Current Tax Liabilities / (Assets)	**(16.36)**	**(8.15)**
	Disclosed as Current Tax Liabilities	2.46	0.73
	Disclosed as Non current tax assets (net)	(18.82)	(8.88)

The major components of income tax expense for the years ended 31st March 2026 and 31st March 2025 are:

Profit and loss section		
Current tax	3.21	17.59
Tax expense/(credit) relating to earlier years	(2.77)	-
Deferred tax	(31.21)	(30.89)
Total tax expenses	**(30.77)**	**(13.30)**

OCI Section		
Deferred tax related to items recognised in OCI during the year:		
Net movement on cash flow hedges	-	0.06
Remeasurements of post employment defined benefit plans	0.09	0.05
Income tax charge / (credit) through OCI	**0.09**	**0.11**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

*Tax relating to earlier years represents income tax reversal of Rs 4.88 Cr and charge of deferred tax expenses of Rs 2.11 crores pertaining to earlier years.

Unused tax losses for which no deferred tax asset has been recognised	3.90	3.10
Potential tax benefit @ 25.17% (31st March 2025: 25.17%)	0.98	0.78

		As at 31st March 2026	As at 31st March 2025
21	**CURRENT BORROWINGS**		
	Current borrowings		
	Working capital loans from Banks (secured)	44.53	72.01
	Working capital loans from Banks (unsecured)	169.00	68.47
	Shot Term Loan from NBFC (Unsecured)	50.00	-
	Current maturities of long term loans from banks (secured) (refer note 17)	27.03	20.60
	Current maturities of long term loans from NBFC (secured) (refer note 17)	67.05	68.06
	Current maturities of Non-Convertible Debentures (secured) (refer note 17)	82.50	82.50
		440.11	**311.64**
	The above amount includes:		
	Secured borrowings	221.11	243.17
	Unsecured borrowings	219.00	68.47
	Currency level bifurcation		
	Foreign currency borrowings	121.02	140.47
	INR borrowings	319.08	171.16

a **Working capital loans from banks are secured by:**

Unique Solutions for Chemical Industries Co., Saudi Arabia:

Standby Letter of Credit (SBLC) issued by the Hong Kong and Shanghai Banking Corporation Limited, India. The Loan is repayable on demand and carries variable interest rate.

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(All amounts are in INR Crores, unless otherwise stated)

b The quarterly returns/statements of current assets filed by the parent company with banks are in agreement with the books of account.

c The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

d The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

e There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the Statutory period.

f There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year. The Company has no indication that it will have difficulty complying with these covenants.

Changes in liabilities arising from financing activities

a) Current borrowings (excluding current maturities of long term debts)

Particulars	As at 31st March 2026
Balance as on 1st April 2025	140.47
Cash Flows	116.32
Other adjustments*	6.73
Balance as on 31st March 2026	**263.52**

Particulars	As at 31st March 2025
Balance as on 1st April 2024	55.60
Cash Flows	84.47
Other adjustments*	0.40
Balance as on 31st March 2025	**140.47**

b) Lease Liabilities

Particulars	As at 31st March 2026
Balance as on 1st April 2025	11.72
Cash Flows	(3.36)
Other adjustments (refer note 4(d))*	0.27
Balance as on 31st March 2026	**8.63**

Particulars	As at 31st March 2025
Balance as on 1st April 2024	14.55
Cash Flows	(3.81)
Other adjustments (refer note 4(d))*	0.98
Balance as on 31st March 2025	**11.72**

(c) Non-current borrowings (including current maturities of long term debts)

Particulars	As at 31st March 2026
Balance as on 1st April 2025	994.80
Cash Flows	(90.19)
Other adjustments*	(0.39)
Balance as on 31st March 2026	**904.22**

Particulars	As at 31st March 2025
Balance as on 1st April 2024	1,005.41
Cash Flows	(12.32)
Other adjustments*	1.71
Balance as on 31st March 2025	**994.80**

*Other adjustments includes the impact of foreign exchange reinstatement on foreign currency borrowings and changes in fair value of borrowings measured at amortised cost using the effective interest rate method and effect of addition, renewal and accretion of interest of lease liabilities.

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Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Notes forming part of Consolidated Financial Statements for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
22 TRADE PAYABLES		
Total outstanding of dues to Micro and small enterprises (refer note 34)	4.87	3.84
Total outstanding dues of creditors other than Micro and Small Enterprises	140.08	223.12
	144.95	**226.96**

Trade Payables ageing as on 31st March 2026

Particulars	Not Due	Outstanding for the following periods from due date of payment				Total Trade Payables
		Less than 1 year	1-2- years	2-3 years	More than 3 years	
(i) Micro and small enterprises - undisputed	3.60	1.27	0.00	-	0.00	4.87
(ii) Other than Micro and Small Enterprises - undisputed	121.73	16.24	0.02	0.69	1.40	140.08
	125.33	**17.51**	**0.02**	**0.69**	**1.40**	**144.95**

Trade Payables ageing as on 31st March 2025

Particulars	Not Due	Outstanding for the following periods from due date of payment				Total Trade Payables
		Less than 1 year	1-2- years	2-3 years	More than 3 years	
(i) Micro and small enterprises - undisputed	3.84	-	-	-	-	3.84
(ii) Other than Micro and Small Enterprises - undisputed	142.86	78.12	0.86	0.13	1.15	223.12
	146.70	**78.12**	**0.86**	**0.13**	**1.15**	**226.96**

(All amounts are in INR Crores, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
23 OTHER FINANCIAL LIABILITIES		
Current		
Deposits from customers	0.43	0.53
Interest accrued but not due on borrowings	6.45	7.07
Employee benefits payable	7.43	9.08
Payables for purchase of property, plant & equipment	73.91	92.17
Amount payable to Holding Company (refer note 39)	-	28.56
Purchase consideration payable	47.24	44.29
	135.46	**181.70**

	As at 31st March 2026	As at 31st March 2025
24 PROVISIONS		
Current		
Provision for Gratuity (refer note 35)	1.90	0.78
Provision for Compensated absences (refer note 35)	5.01	5.01
	6.91	**5.79**

	As at 31st March 2026	As at 31st March 2025
25 OTHER CURRENT LIABILITIES		
Statutory dues payable	3.83	7.24
Advance from customers (contract liabilities)	5.18	4.36
Others	0.17	0.17
	9.18	**11.77**

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	For the year ended 31st March 2026	For the year ended 31st March 2025
26 REVENUE FROM OPERATIONS		
Revenue from contracts with customers		
Sale of products		
Finished goods	1,424.54	1,394.42
Traded goods	3.82	5.90
	1,428.36	**1,400.31**
Sale of services		
Income from Windmill	0.39	2.82
Material handling services	11.54	13.47
	11.93	**16.29**
Other operating revenue		
Scrap sales	0.24	0.16
Export incentives	2.20	3.04
	2.44	**3.20**
	1,442.73	**1,419.80**

Revenue disaggregation in terms of nature and products has been included above. The Group has only one segment (refer note 38). Refer note 2 for accounting policy.

Revenue is recognised at a point in time and not over time.

Movement of Advance from customers :

Opening Balance	**(4.36)**	**(3.72)**
Amount received from customers	(29.38)	(21.01)
Amount billed to customers	28.56	20.37
Closing Balance	**(5.18)**	**(4.36)**

	For the year ended 31st March 2026	For the year ended 31st March 2025
27 OTHER INCOME		
Interest Income		
Bank Deposits	0.37	1.17
On Financial assets carried at cost	0.29	-
Net gain on sale of Investments carried at FVTPL	0.55	3.18
Profit on sale of property, plant and equipment (net)	0.61	0.09
Miscellaneous Income	0.47	6.82
	2.29	**11.27**

	For the year ended 31st March 2026	For the year ended 31st March 2025
28 COST OF RAW MATERIALS CONSUMED*		
Raw material at the beginning of the year	170.14	97.56
Add : Purchases	774.02	955.03
	944.16	**1,052.59**
Less : Raw material at the end of the year	(77.39)	(170.14)
	866.77	**882.45**

*Includes packing materials of INR 53.91 Crores (31st March 2025: INR 49.75 Crores)

	For the year ended 31st March 2026	For the year ended 31st March 2025
29 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
Inventories at the end of the year		
Work-in-progress	13.29	20.96
Finished goods	135.91	156.25
	149.20	**177.21**
Inventories at the beginning of the year		
Work-in-progress	20.96	11.75
Finished goods	156.25	171.54
	177.21	**183.29**
	28.00	**6.08**

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	For the year ended 31st March 2026	For the year ended 31st March 2025
30 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages & Bonus (refer note 48)	150.25	136.16
Contribution to Provident & other funds*	4.27	3.74
Staff welfare expenses	5.27	3.78
	159.79	**143.68**

*The parant company made contribution for provident fund towards retirement benefit plan for eligible employees. Under the said plan, the parant company is required to contribute at the rate of 12% of basic salary as per local requirements to fund the benefits. During the year, the parant company has contributed and charged INR 1.97 Crores (31st March 2025: INR 1.68 Crores) on this account in the statement of Profit and loss.

	For the year ended 31st March 2026	For the year ended 31st March 2025
31 FINANCE COSTS		
Interest	104.40	105.31
Interest on lease liabilities [refer note 4(d)]	0.27	0.37
Other borrowing costs	1.80	1.83
Total	**106.47**	**107.51**

	For the year ended 31st March 2026	For the year ended 31st March 2025
32 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of property, plant & equipment [refer note 4(a)]	46.43	31.85
Amortization of intangible assets [refer note 5(b)]	92.35	91.92
Depreciation of right of use assets [refer note 4(c)]	4.59	4.32
Total	**143.37**	**128.09**

	For the year ended 31st March 2026	For the year ended 31st March 2025
33 OTHER EXPENSES		
Consumption of stores and spares	6.73	5.40
Power and fuel	52.36	47.07
Water charges	1.53	1.26
Rent	0.79	0.65
Repairs and Maintenance- Building	0.78	0.41
Repairs and Maintenance- Plant and Machinery	10.64	7.80
Repairs and Maintenance- Others	4.72	4.24
Insurance	8.26	8.44
Rates and taxes	2.60	2.79
Legal and professional fees	40.57	22.27
Subscriptions and donations (refer note 50)	-	9.50
Marketing expenses	4.58	4.85
Travelling and conveyance expenses	8.16	7.39
Clearing and forwarding expenses	84.78	66.85
Sales commission	0.07	0.08
Bank charges	1.70	1.12
Corporate Social Responsibility expenditure	0.19	3.77
Security charges	2.99	2.50
Provision for doubtful debts	2.02	0.00
Miscellaneous expenses	15.62	15.29
Less : Net gain on foreign currency transactions	22.36	9.98
	226.73	**201.69**

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34 Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006:

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

	As at 31st March 2026	As at 31st March 2025
(a) (a) The principal amount and the interest due thereon remaining unpaid to supplier under MSMED Act, 2006 at the end of each accounting year		
Principal#	5.72	3.94
Interest	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment during the year	0.70	0.06
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.97	0.27
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.97	0.27

Amount due to Micro and Small enterprises are disclosed on the basis of information available with the Parent Company regarding status of the suppliers as Micro and Small enterprises.

#Includes INR 0.85 Crores (31st March 2025: INR 0.10 Crores) with respect to Payables for purchase of property, plant & equipment.

Refer Note 41 for market risk on trade payables

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35 Employee Benefit Obligation

	31st March 2026	31st March 2025
Non Current		
Provision for Gratuity	11.17	1.35
Provision for Employee benefit obligation of Unique Solutions for Chemical Industries Co., Saudi Arabia	3.47	2.82
Total non-current employee benefit obligations	**14.64**	**4.16**
Current		
Provision for Gratuity	1.90	0.78
Provision for Compensated absences	5.01	5.01
Total current employee benefit obligations	**6.91**	**5.79**

i) Compensated Absences

The compensated absences cover the Parent Company's liability for privilege leave. The entire amount of provision is classified as current since Parent Company does not have right to defer settlement at the end of reporting period. The expense of INR 0.74 Crores (31st March 2025 : INR 1.02 Crores) is included under employee benefit expense in the consolidated statement of Profit and Loss account.

ii) Post employment benefit - End of Service Benefits (Saudi Arabia)

The Group provides for End of Service (EOS) benefit for it employees in Saudi Arabia. The End of Service Benefit Scheme is a defined benefit scheme with benefits based on last drawn salary. Employees having service period of less than 2 years are not eligible for the benefit.

iii) Post employment benefit - Gratuity

The Parent Company provides for gratuity for employees in India as per the Code on Social Security, 2020. Employees who are in continuous service for a period of 5 years are eligible for gratuity. 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 gratuity plan is a funded plan and the Parent Company makes contributions to fund managed by Life Insurance Corporation of India. The Parent Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimate of expected gratuity payments.

Changes in the present value of the defined benefit obligation are as follows:

	31st March 2026	31st March 2025
Defined benefit obligation at the beginning of the year	6.33	5.89
Current service cost	1.05	0.41
Interest cost	0.38	0.70
Actuarial (gain)/loss	(0.33)	(0.18)
Past service cost	11.54	-
Benefits paid	(1.32)	(0.50)
Defined benefit obligation, at the end of the year	**17.65**	**6.33**

Changes in the fair value of plan assets are as follows:

	31st March 2026	31st March 2025
Fair value of plan assets at the beginning of the year	4.20	3.79
Expected return on plan assets	0.28	0.28
Contribution by employer	0.70	0.53
Benefits paid	(0.65)	(0.43)
Actuarial gain / (loss)	0.05	0.03
Fair value of plan assets at the end of the year	**4.58**	**4.20**

The Parent Company expects to contribute INR 1.90 Crores (Actual contribution for year ended 31st March 2026: INR 0.70 Crores) to its gratuity plan in FY 2026-27.

The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risks of asset management, historical results of return on plan assets, Group's policies for plan asset management and other relevant factors.

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The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31st March 2026 %	31st March 2025 %
Insurance Fund with Life Insurance Corporation of India	100	100

The fair value of planned assets represents the amount as confirmed by the fund.

Details of defined benefit obligation

	31st March 2026	31st March 2025
Present value of defined benefit obligation	17.65	6.33
Fair value of plan assets	(4.58)	(4.20)
Benefit liability net	**13.07**	**2.13**

The net liability disclosed above relates to funded plans are as follows:

	31st March 2026	31st March 2025
Present value of funded obligations	17.65	6.33
Fair value of plan assets	(4.58)	(4.20)
Deficit of funded plan (A)	**13.07**	**2.13**
Unfunded plans (B)	-	-
Total net obligation (A+B)	**13.07**	**2.13**

The Parent Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Parent Company intends to continue to contribute the defined benefit plans as per the demand from LIC of India. Refer note above for details on expected contribution for FY 2026-27.

Net employee benefit expense recognised in the statement of profit and loss:

	31st March 2026	31st March 2025
Current service cost	1.05	0.41
Interest cost on benefit obligation	0.10	0.43
Past service cost	11.54	-
Net benefit expense	**12.69**	**0.84**

Net employee benefit expense recognised in the other comprehensive income (OCI):

	31st March 2026	31st March 2025
Actuarial (gains)/losses on Obligation For the Period*	(0.33)	0.01
Return on Plan Assets, excluding interest income	(0.01)	(0.03)
Net (income)/expense For the Period Recognized in OCI	(0.34)	(0.02)

*Includes loss of INR 0.001 Crores (31st March 2025: gain of INR 0.20 Crores) pertaining to Employee benefit obligations of Unique Solutions for Chemical Industries Co., Saudi Arabia.

Amounts for the current and previous periods are as follows:

	31st March 2026	31st March 202	31st March 202	31st March 2023	31st March 2022
Defined benefit obligation	17.65	6.33	5.89	5.52	4.84
Plan assets	(4.58)	(4.20)	(3.79)	(3.40)	(2.93)
(Surplus) / deficit	13.07	2.13	2.10	2.12	1.91
Experience adjustments on plan liabilities	0.10	(0.35)	(0.03)	0.12	0.39
Experience adjustments on plan assets	(0.07)	(0.04)	0.01	(0.01)	(0.05)

The principal assumptions used in determining defined benefit obligation are shown below:

	31st March 2026	31st March 2025
Discount rate	7.20%	6.70%
Expected rate of return on plan asset	6.70%	7.20%
Expected rate of salary increase	10.00%	10.00%
Employee turnover	9.00%	9.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) ult	Indian Assured Lives Mortality (2012-14)ult

(All amounts are in INR Crores, unless otherwise stated)

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity Analysis

	31st March 2026	31st March 2025
+1% Change in discount rate	(0.82)	(0.32)
-1% Change in discount rate	0.91	0.35
+1% Change in rate of salary increase	0.73	0.27
-1% Change in rate of salary increase	(0.67)	(0.25)
+1% Change in rate of employee turnover	(0.10)	(0.04)
-1% Change in rate of employee turnover	0.11	0.05

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk exposure

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

Asset volatility:

The plan assets are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are maintained with LIC of India.

Changes in bond yields:

A decrease in bond yields will increase plan liabilities.

Future salary escalation and inflation risk:

Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at managements discretion may lead to uncertainties in estimating this risk.

Life expectancy:

Increases in life expectancy of employee will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company's assets are maintained with LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The plan asset mix is in compliance with the requirements of the respective local regulations.

The weighted average duration of the defined benefit obligation is 7.61 years (31st March 2025 - 7.55 years). The expected maturity analysis of undiscounted gratuity is as follows:

	31st March 2026 Funded	31st March 2025 Funded
Projected Benefits Payable in Future Years From the Date of Reporting		
Less than 1 year	3.75	1.33
Between 1 to 2 years	2.11	1.11
Between 2 to 3 years	2.06	0.79
Between 3 to 4 years	1.96	0.73
Between 4 to 5 years	2.23	0.77
Over 5 years	12.35	4.25

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36 Contingent Liabilities and Commitments

a] Contingent Liabilities-

	31st March 2026	31st March 2025
1. Disputed liabilities		
a) Service tax	5.90	5.90
b) Excise Duty	0.20	0.20
c) Goods and Services Tax	1.12	1.05
d) Income Tax	4.17	5.60
e) Customs - MEIS	-	48.66
	11.39	**61.41**

a) Service Tax - Disallowance mainly for service tax credit taken on services rendered overseas and ocean freight.

b) Excise Duty - Demand on inter unit stock transfer from Export Oriented (EOU) unit to Domestic Tariff Area (DTA) unit.

c) Goods and Services Tax - Demand of GST on sale of leasehold land.

d) Income Tax - Disallowance mainly of expenses under section 14A and disallowance of expense due to non-deduction of TDS on payment made to non-residents.

e) Customs - Merchandise Exports from India Scheme (MEIS) - Dispute over classification of the product.

Contingent liability disclosed above includes an amount of INR 11.23 crores (31st March 2025: INR 61.26 crores) which is jointly and severally indemnified by the erstwhile promoters as per the Share Purchase Agreement dated November 28, 2023.

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above contingent liabilities pending resolutions of the respective proceedings. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

b] Capital Commitments

Estimated amounts of contracts remaining to be executed on Capital account and not recognised for (net of advances) is INR 6.38 Crores (31st March 2025 : INR 21.01 Crores).

37 The list of subsidiaries included in consolidation and the Group's effective holding therein:

Name of the Subsidiaries	Principal place of business/Country of incorporation	Proportion of interest held as at	
		31st March 2026	31st March 2025
Aquapharm Europe B.V.	Netherlands	100%	100%
Aquapharm Chemicals LLC	USA	100%	100%
Aquapharm PChem LLC	USA	100%	100%
Aquapharm Specialty Chemicals LLC	USA	100%	100%
Unique Solutions for Chemical Industries Co.	Saudi Arabia	95%	95%
USCI LLC	UAE	95%	95%

Note: Aquapharm Foundation is a Section 8 Company and not considered for consolidation since it can apply its income for charitable purposes only.

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38 Segment reporting

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Board of Directors have been identified as the chief operating decision maker.

The Group has only one operating segment which is 'Chemical' and does not operate in any other reportable segment as per Ind AS 108 : Operating segments. Accordingly, separate segment information is not required to be disclosed.

(b) Information about revenue from operations and geographical distribution of revenue

The Group has only one business segment. Hence, the segment revenue, segment results, segment assets and segment liabilities are derived from this segment only.

Revenue from customers exceeding 10% of revenue amounted to INR 147.66 Crores for the year ended 31st March 2026 (31st March 2025: INR 81.44 Crores).

i) Revenue from operations

The amount of its revenue broken down by location of the customers is in the table below:

	For the year ended 31st March 2026	For the year ended 31st March 2025
Revenue from customers		
Within India	237.43	226.87
Outside India	1,205.30	1,192.93
Total revenue per Consolidated Statement of profit and loss	**1,442.73**	**1,419.80**

ii) Non Current operating assets

Particulars	31st March 2026	31st March 2025
Within India	2,685.37	2,771.71
Outside India	246.16	197.14
Total	**2,931.53**	**2,968.85**

Non-current assets for this purpose consist of property, plant and equipment, right of use assets, capital work-in-progress, intangible assets and capital advances.

iii) Total assets

Particulars	31st March 2026	31st March 2025
Within India	3,631.04	3,828.96
Outside India	619.02	547.48
Total	**4,250.06**	**4,376.44**

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(All amounts are in INR Crores, unless otherwise stated)

39 Particulars of the related parties:

Name of related party and nature of its relationship:

(a) Ultimate holding company - under de facto control as defined in IND-AS 110:
Rainbow Investments Limited

(b) Holding Company
PCBL Chemical Limited (Formerly known as "PCBL Limited")

(c) Related parties where control exists:
Unconsolidated Subsidiaries
Aquapharm Foundation, India

(d) Key management personnel (KMP) of the Company :

Suresh Kalra	Chief Executive Officer and Whole-time Director (from 5th March 2025 to 9th January 2026)
Ganesh Vishwanathan	Whole-time Director (w.e.f. 31st March 2026) and Chief Financial Officer (w.e.f. 6th February 2025)
Jayesh Damle	Company Secretary and Compliance Officer (w.e.f. 6th February 2025)
Iram Hassan	Non Executive Independent Directors (w.e.f. 17th December 2024)
Tharavanat Chandrasekharan	Non-Executive Independent Directors (from 2nd May 2024 to to 31st March 2026)
Kusum Dadoo	Non-Executive Independent Directors (w.e.f. 2nd May 2024)
Umang Kanoria	Non Executive Independent Directors (w.e.f. 31st March 2026)
Gopal Rathi	Non-Executive Non-Independent Director (w.e.f. 17th December 2024)
Kaushik Roy	Non-Executive Non-Independent Director (w.e.f. 27th March 2025)
Kaushik Mukherjee	Director (till 27th March 2025)
Raj Kumar Gupta	Director (till 27th March 2025)

(e) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year:

PCBL (TN) Limited	Company under common control
RPSG Resources Private Limited	Company under common control

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Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")
Notes forming part of Consolidated Financial Statements for the year ended 31st March 2026
(All amounts are in INR Crores, unless otherwise stated)

(f) Transactions during the year with the related parties:-

Nature of Transaction	Subsidiaries	Holding Company	KMP	Other related parties
CSR contribution	0.19	-	-	-
	(0.33)	-	-	-
Remuneration to Key Managerial person#	-	-	7.26	-
	-	-	(0.79)	-
Reimbursement of expenses paid	-	0.01	-	-
	-	(4.33)	-	-
License fees	-	-	-	12.50
	-	-	-	(10.00)
Sale of services	-	-	-	-
	-	-	-	(3.00)
Sale of Rodtep Scripts	-	1.15	-	-
	-	(1.71)	-	-
Interest received	-	-	-	-
	-	(0.00)*	-	-
Loan given	-	-	-	-
	-	(2.00)	-	-
Loan recovered	-	-	-	-
	-	(2.00)	-	-
Issue of equity shares	-	-	-	-
	-	(2,200.00)	-	(550.00)
Sitting fees	-	-	0.08	-
	-	-	(0.02)	-

Closing balances	Subsidiaries	Holding Company	KMP	Other related parties
Other payable	-	-	-	-
	-	(28.56)	-	-
Share capital	-	2,280.00	-	570.00
	-	(2,280.00)	-	(570.00)

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

Notes

1. Previous year numbers are disclosed in brackets.
2. All transactions were made on normal commercial terms and conditions and are at arm's length price and all outstanding balances are unsecured and are repayable in cash.

(g) Disclosure in respect of material related party transactions during the year:

	Relationship	For the year ended 31st March 2026	For the year ended 31st March 2025
CSR Contributions			
Aquapharm Foundation, India	Subsidiary	0.19	0.33
Remuneration to Key Managerial person			
Suresh Kalra	KMP	5.16	0.48
Ganesh Vishwanathan	KMP	1.91	0.29
Jayesh Damle	KMP	0.19	0.03
Reimbursement of expenses paid			
PCBL Chemical Limited	Holding company	0.01	4.33
License fees			
RPSG Resources Private Limited	Other related parties	12.50	10.00
Sale of Rodtep Scripts			
PCBL Chemical Limited	Holding company	1.15	1.71
Sale of services			
PCBL (TN) Limited	Other related parties	-	3.00
Interest received			
PCBL Chemical Limited	Holding company	-	0.00*
Loan given			
PCBL Chemical Limited	Holding company	-	2.00
Loan recovered			
PCBL Chemical Limited	Holding company	-	2.00
Issue of equity shares			
PCBL Chemical Limited	Holding company	-	2,200
PCBL (TN) Limited	Other related parties	-	550
Director's sitting fees			
Iram Hassan	KMP	0.02	0.01
Kusum Dadoo	KMP	0.03	-
Tharavanat Chandrasekharan	KMP	0.03	0.01

*Amount below rounding off norms followed by the Company

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40 Earnings / (Loss) Per Share :

The following table shows the computation of basic and diluted LPS.

	For the year ended 31st March 2026	For the year ended 31st March 2025
a) Loss for the year attributable to the Owners of the Parent Company (INR in Crores)	(68.50)	(28.79)
b) Weighted average number of equity shares (units)	2,85,00,00,000	41,64,38,356
c) Basic and Diluted Loss per share (in INR)	(0.24)	(0.69)

41 Financial Risk Management

Financial risk factors

The Group's activities exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk.

The Group's risk management is carried out by the Group's treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises of three types of risks: interest rate risk, currency risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk mainly includes borrowings, financial assets and liabilities in foreign currency, investments in quoted instruments and derivative financial instruments.

i. Interest rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Group's exposure to the risk of changes in interest rate primarily relates to the Group's debt obligations with floating interest rates.

The Group is exposed to the interest rate fluctuation in domestic as well as foreign currency borrowings. The Group's main interest rate risk arises from borrowings with variable interest rates, which exposes the Group to cash flow interest rate risk. The Group tries to manage its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings to the highest extent possible. The Group may enter into borrowings at variable interest rates and swap them into fixed rates that are lower than those available if the Group borrowed at fixed rate directly. During year ended 31st March 2026 and 31st March 2025 the Group's borrowings at variable rates were mainly denominated in INR, USD and SAR.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

	31st March 2026	31st March 2025
Variable rate borrowings	782.75	667.78
Fixed rate borrowings	385.00	467.50
Total borrowings	**1,167.75**	**1,135.28**

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable interest rate. With all the other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ Decrease in Basis Points	Effect on profit before tax Decrease/ (increase)
31st March 2026		
Base Rate	+50	3.91
Base Rate	-50	(3.91)
31st March 2025		
Base Rate	+50	3.34
Base Rate	-50	(3.34)

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ii.Foreign currency 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 Group has international operations and is exposed to foreign currency risk arising from foreign currency transactions, primarily with respect to the USD and EUR . Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The Group measures its risk through a forecast of highly probable foreign currency cash flows. The Group hedges its foreign exchange risk using Exchange Earners' Foreign Currency Account. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Group has a policy to keep minimum forex exposure on the books that are likely to occur within a 12-month period for hedges of forecasted sales. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. During the year ended 31st March 2026 and 31st March 2025, the Group did not have any hedging instruments with terms which were not aligned with those of the hedged items.
When a derivative is entered into for the purpose of hedge, the Group negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted to the point of settlement of the resulting receivable that is denominated in the foreign currency.

The Group's exposure to foreign currency risk at the end of the year expressed in INR Crores are as follows:

31st March 2026

Financial Assets	USD	EURO
Trade Receivables	85.45	11.70
Cash and cash equivalents	7.38	2.56
Derivative Assets		
Foreign exchange forward contracts	-	-
Net Exposure to foreign currency risk (Assets)	**92.83**	**14.26**

31st March 2026

Financial Liabilities	USD	EURO
Borrowings	76.50	-
Trade Payables (Payables for purchase of property, plant & equipment)	22.29	1.43
Net Exposure to foreign currency risk (Liabilities)	**98.79**	**1.43**
Net Exposure to foreign currency risk (Assets (-) Liabilities)	**(5.96)**	**12.83**

31st March 2025

Financial Assets	USD	EURO
Trade Receivables	73.89	10.75
Cash and cash equivalents	10.70	3.83
Derivative Assets		
Foreign exchange forward contracts	-	-
Net Exposure to foreign currency risk (Assets)	**84.59**	**14.58**

31st March 2025

Financial Liabilities	USD	EURO
Bank Loan	68.47	-
Trade Payables (including Payables for purchase of property, plant & equipment	64.36	6.83
Net Exposure to foreign currency risk (Liabilities)	**132.83**	**6.83**
Net Exposure to foreign currency risk (Assets (-) Liabilities)	**(48.24)**	**7.75**

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(All amounts are in INR Crores, unless otherwise stated)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Group's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Group's exposure to foreign currency changes for all other currencies is not material. With all the other variables held constant, the Group's profit before tax is affected through the impact on change of foreign currency rate as follows-

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity
31st March 2026	+2%	(0.12)/(0.12)	+2%	0.26/0.26
	-2%	0.12/0.12	-2%	(0.26)/(0.26)
31st March 2025	+2%	(0.96)/(0.96)	+2%	0.16/0.16
	-2%	0.96/0.96	-2%	(0.16)/(0.16)

(All amounts are in INR Crores, unless otherwise stated)

Financial Risk Management

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

i. Trade receivables

Credit risk arises from the possibility that customer will not be able to meet their obligations as and when agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. Trade receivables are non interest bearing.

The Group's customer profile for customer contracts include large private corporates. Accordingly, the Group's customer credit risk is low. General payment terms include advances and payments with a credit period ranging from 30 to 180 days.

The Group has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation and based on assessment performed management has concluded that impact of expected credit loss is not material and current provision made against trade receivable is adequate to cover the provision on account of expected credit loss. Refer note 10 for further details.

Reconciliation of loss allowance provision - Trade receivables is as follows :

Particulars	31st March 2026	31st March 2025
Opening balance	0.32	0.38
Charge/(reversal) in allowance during the year including exchange difference (net)	2.16	(0.06)
Closing balance	**2.48**	**0.32**

ii. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's Treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Other financial assets that are potentially subject to credit risk consists of inter corporate loans. The Group assesses the recoverability from these financial assets on regular basis. Factors such as business and financial performance of counterparty, their ability to repay, regulatory changes and overall economic conditions are considered to assess future recoverability. The Group charges interest on such loans at arms length rate considering counterparty's credit rating. Based on the assessment performed, the Group considers all the outstanding balances of such financial assets to be recoverable as on balance sheet date and no provision for impairment is considered necessary.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31st March 2026 and 31st March 2025 is the carrying amounts of each class of financial assets.

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(All amounts are in INR Crores, unless otherwise stated)

(c) Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities which will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 - 180 days. Trade payable are non interest bearing. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within 1 year	1-3 years	3-5 years	More than 5 years	Total
As at 31st March 2026					
Borrowings	440.11	653.59	74.05	-	1,167.75
Trade Payables	144.95	-	-	-	144.95
Lease Liabilities	4.25	3.14	1.48	-	8.87
Other Financial Liabilities	135.46	-	-	-	135.46
Total	**724.77**	**656.73**	**75.53**	**-**	**1,457.03**
As at 31st March 2025					
Borrowings	311.64	475.41	328.18	20.05	1,135.28
Trade Payables	226.96	-	-	-	226.96
Lease Liabilities	3.84	6.99	1.07	-	11.90
Other Financial Liabilities	181.70	-	-	-	181.70
Total	**724.14**	**482.40**	**329.25**	**20.05**	**1,555.84**

42 Fair value measurements

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values as of the year end.

a) Financial Instruments by Category

Particulars	March 31, 2026			March 31, 2025		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Trade receivables	-	-	302.71	-	-	311.47
Cash and cash equivalents (including other bank balances)	-	-	91.61	-	-	74.52
Other financials assets	-	-	9.61	-	-	8.78
Total financial assets	**-**	**-**	**403.93**	**-**	**-**	**394.77**
Financial liabilities						
Borrowings	-	-	1,167.75	-	-	1,135.28
Lease Liabilities	-	-	8.63	-	-	11.72
Trade Payables	-	-	144.95	-	-	226.97
Other financial liabilities	-	-	135.46	-	-	181.70
Total Financial Liabilities	**-**	**-**	**1,456.79**	**-**	**-**	**1,555.67**

Investment in subsidiaries amounting to Rs 0.01 Crores (31st March 2025: Rs. 0.01 Crores) is recognised at cost and not included in the table above.

b) Financial assets and liabilities measured at amortised cost

The management assessed that cash and cash equivalents, other bank balance, loans, trade receivables, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

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(All amounts are in INR Crores, unless otherwise stated)

43 Capital Management

a) Risk Management:

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating, healthy capital ratios in order to support its business and maximise shareholder value and optimal capital structure to reduce cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt interest bearing loans and borrowings less cash and cash equivalents.

The net debt to equity ratio for the current year is slightly increased as a result of increase in the working capital borrowing which has resulted in increase in borrowings as at year end.

The following table summarises the capital structure of the Company:

	As at 31st March 2026	As at 31st March 2025
Long Term Borrowings (including current maturities of long term debt and Interest accrued but not due on borrowings)	910.67	1,001.88
Short Term Borrowings	263.52	140.47
Less: Cash and Cash equivalents	(88.31)	(64.88)
Net Debt	**1,085.88**	**1,077.47**
Equity share capital	2,850.00	2,850.00
Other equity	(89.92)	(57.38)
Total equity	**2,760.08**	**2,792.62**
Net debt to equity ratio	39.3%	38.6%

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

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44 Statutory Group Information

Name of the Entity		Net Assets		Share in Profit/ (Loss) after Tax		Share in other comprehensive income/ (loss)		Share in total comprehensive income/ (loss)	
		As % of consolidated net assets	INR Crores	As % of consolidated Profit/Loss	INR Crores	As % of consolidated other comprehensive income	INR Crores	As % of consolidated total comprehensive income	INR Crores
Parent Company									
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")	Balance as at 31st March 2026	86.34%	2,383.17	120.14%	(82.54)	100.01%	36.17	142.53%	(46.37)
	Balance as at 31st March 2025	88.29%	2,465.49	271.21%	(79.03)	102.37%	8.43	337.68%	(70.60)
Subsidiaries									
Aquapharm Europe B.V.	Balance as at 31st March 2026	0.50%	13.69	-10.13%	6.96	0.00%	-	-21.39%	6.96
	Balance as at 31st March 2025	0.19%	5.37	-5.21%	1.52	0.00%	-	-7.26%	1.52
Unique Solutions for Chemicals Industries Company-Consolidated numbers of following: 1.Unique Solutions for Chemicals Industries Company 2.USCI LLC	Balance as at 31st March 2026	-1.78%	(49.03)	5.68%	(3.90)	-0.01%	(0.00)	12.00%	(3.90)
	Balance as at 31st March 2025	-1.45%	(40.57)	10.64%	(3.10)	-2.37%	(0.20)	15.76%	(3.29)
Aquapharm Chemicals LLC-Consolidated numbers of following: 1.Aquapharm Specialty Chemicals LLC 2.Aquapharm Chemicals LLC 3.Aquapharm PChem LLC	Balance as at 31st March 2026	14.94%	412.25	-15.70%	10.78	0.00%	-	-33.15%	10.78
	Balance as at 31st March 2025	12.97%	362.34	-176.64%	51.47	0.00%	-	-246.18%	51.47
Total	**Balance as at 31st March 2026**	**100.00%**	**2,760.08**	**100.00%**	**(68.70)**	**100.00%**	**36.17**	**100.00%**	**(32.53)**
	Balance as at 31st March 2025	**100.00%**	**2,792.62**	**100.00%**	**(29.14)**	**100.00%**	**8.23**	**100.00%**	**(20.91)**

Note:
1 All elimination and adjustments are netted off against balances of Parent Company for disclosure purposes.
2 Aquapharm Foundation is a Section 8 company not considered for consolidation since it can apply its income for charitable purposes only.
3 Unique Solutions for Chemical Industries Company (consolidated) has incurred cumulative losses amounting to SAR 24,974,968 which exceeds 50% of its capital. Accordingly, the Article 182 of the Company Laws (Saudi Arabia) is applicable to it.

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45 Scheme of Amalgamation and Business combination

Scheme of Amalgamation

The Board of Directors of Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited") ("Transferee Company") and the Board of Directors of Aquapharm Chemicals Private Limited ("ACPL" or "Transferor Company"), a wholly owned subsidiary of ACL, at their respective meetings held on 1st August 2024 approved the Scheme of Amalgamation of ACPL with the Parent Company and their respective shareholders under Section 233 and other applicable provisions of the Companies Act, 2013 ("Scheme").

The Central Government through the Regional Director, Western Region, Ministry of Corporate Affairs ("Regional Director") vide order dated 06th December 2024 approved the Scheme. The Order was filed with ROC on 1st January 2025, which was also considered as the effective date in terms of the Scheme ("Effective Date") and consequently ACPL stands amalgamated with the Parent Company and ACPL ceased to exist as a separate entity.

The aforesaid amalgamation has been accounted in the books of accounts of the Parent Company pursuant to the 'pooling of interests method' in accordance with Appendix C of Ind AS 103 - Business Combinations during the year ended 31st March 2025.

Pursuant to aforesaid amalgamation and consequent change in tax base of the assets, deferred tax liability of INR 554.20 crores is reversed through consolidated statement of profit and loss in the year ended 31st March 2025.

The Parent Company had further performed impairment assessment of goodwill arisen on acquisition of ACPL and has accounted for impairment loss of INR 554.72 crores based on valuation done by external valuer in the year ended 31st March 2025 (refer note 5a). The impairment assessment was triggered by aforesaid reversal of deferred tax liability and consequent increase in Cash Generating Unit, on account of amalgamation.

The aforesaid reversal of deferred tax liabilities and impairment of goodwill have been recognised as exceptional items in the consolidated financial statements during the year ended 31st March 2025.

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46 Research And Development Expenses

The Group's business research and development concentrates on the development of improved finished goods and better operational efficiency. Research costs are expensed as incurred. Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

Particulars	For the year ended 31st March 2026			For the year ended 31st March 2025		
	Pune, India	USA	Total	Pune, India	USA	Total
Raw Materials & Stores Consumed	-	0.74	0.74	-	0.99	0.99
Salaries, Wages and Bonus	7.74	9.92	17.66	7.43	7.69	15.12
Contribution to Provident and Other Funds	0.31	-	0.31	0.35	-	0.35
Staff Welfare Expense	0.03	-	0.03	0.02	-	0.02
Miscellaneous Expenses	8.15	-	8.15	4.26	-	4.26
Total	**16.23**	**10.66**	**26.89**	**12.06**	**8.68**	**20.74**
Capital expenditure	0.30	0.36	0.66	0.38	0.07	0.45
Grand Total	**16.53**	**11.02**	**27.55**	**12.44**	**8.75**	**21.19**

S R Batliboi & Co. LLP Kolkata

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47 Disclosure for Non-Controlling Interests

This information is based on amounts before inter-company eliminations
Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests (NCI):

Name of the Company	Principal activity	Effective ownership as on 31st March 2026	Effective ownership as on 31st March 2025	Country of Incorporation
Unique Solutions for Chemical Industries Company (USCI)	Manufacturing of Chemicals	5.00%	5.00%	Saudi Arabia

Summarised Statement of Profit and Loss for the year ended 31st March 2026:

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
	USCI	USCI
Profit/(loss) for the year attributable to NCI	(0.20)	(0.35)
Other comprehensive Income attributable to NCI	(0.23)	(0.15)

Summarised balance sheet as at 31st March 2026 and 31st March 2025:

Particulars	As at 31st March 2026	As at 31st March 2025
	USCI	USCI
Accumulated NCI	(2.48)	(2.05)

48 Code on Social Security, 2020

The government of India has notified the implementation of Code on Wages, 2019, Code on Social Security 2020, Industrial Relations code 2020 and Occupational Safety, Health and Working Conditions Code 2020 (collectively referred to as the "New Labour codes") effective 21st November 2025. Based on management's assessment and actuarial valuation, an additional liability of Rs. 11.54 crores arising from the implementation of the aforesaid new labour codes has been recognized in the consolidated financial statements as exceptional items for the year ended 31st March 2026. The corresponding supporting rules under these codes are yet to be notified. Accordingly, the incremental adjustment (if any) will be recognized once the rules are notified.

49 Additional regulatory information required by Schedule III:

i Relationship with Struck off Companies:

The Group has no transaction with the Companies struck off under Companies Act, 2013 or Companies Act, 1956.

ii Utilisation of borrowed funds:

The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;
The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the entity shall:

i. 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

ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii a) The Holding Company has defined process to take daily back up of books of account maintained electronically and kept on servers physically located in India except for an application in respect of which the backup is stored in tape drives. The requirements for maintaining back up of books of account on daily basis is not applicable to the subsidiaries incorporated outside India.

b) The Holding Company has used 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 except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Additionally, for one of the applications, in the absence of Service Organisation Controls report, we are unable to assess whether the audit trail at database level was enabled as per the statutory requirements. Further, there are no instances of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled. Additionally, at the application level, the audit trail of prior year(s) has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years. The Group does not have any subsidiaries incorporated in India and hence requirement for audit trail is not applicable for such subsidiaries

iv The Company has incurred average net loss in the period of three immediately preceding financial years and hence, it is not required to spend any money under sub-section 5 of section 135 of the Companies Act, 2013.

v The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Group has 4 Core Investment Companies as part of the Group.

50 Subscriptions and donations

The Company has contributed INR Nil (31st March 2025 : INR 9.50 Crores) to an electoral trust under section 182 of the Companies Act, 2013.

51 The above consolidated financial statements of the Group were approved for issue in accordance with a resolution passed by the Board of Directors at their meeting held on 23rd April 2026.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Jai Prakash Yadav
Partner
Membership No.: 066943
Place: Mumbai
Date: 23rd April 2026

S.R. Batliboi & Co. LLP Kolkata

For and on behalf of the Board of Directors of
Aquapharm Chemical Limited (Formerly known as "Advaya Chemical Industries Limited")

Kaushik Roy
Director
DIN: 06513489

Ganesh Vishwanathan
CFO and Whole-time Director
DIN: 11259872

Gopal Rathi
Director
DIN: 00553066
Date: 23rd April 2026

Jayesh Damle
Company Secretary
ACS24869

RP - Sanjiv Goenka Group

Growing Legacies

AQUAPHARM