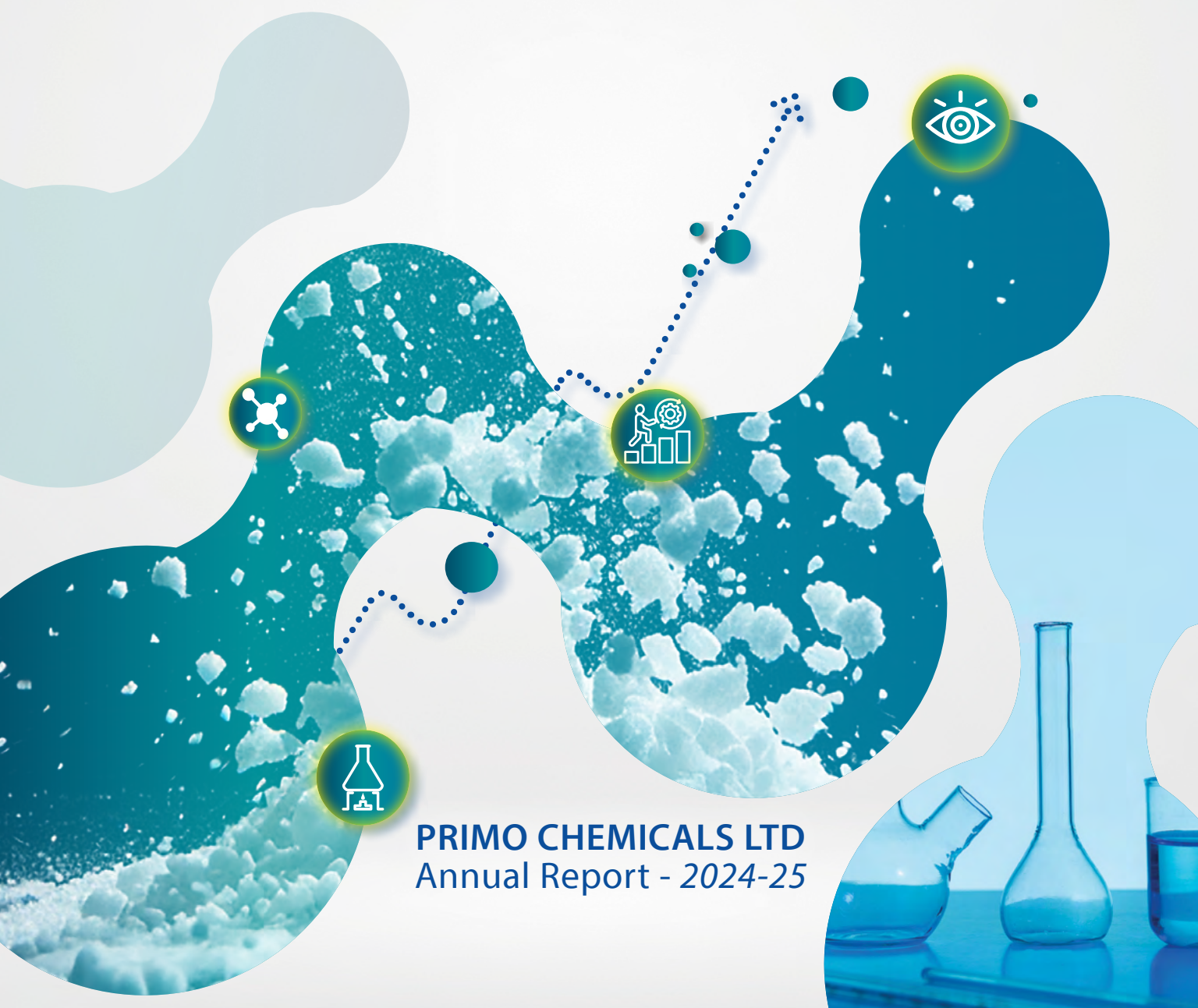




Five Decade of Vision. **Powering Progress.**



PRIMO CHEMICALS LTD
Annual Report - 2024-25

Content

CORPORATE OVERVIEW

Five Decades of Vision. Powering Progress.	1
Yearly Snapshot	2
From the Chairman's Desk	4
Message from the MD's Desk	6
About us	8
Our Journey	10
Our Competitive Advantages	12
Key Performance Indicators	14
Our Manufacturing Facility	16
Our Products and their applications	17
Our Marquee Clients	18
Opportunities	20
Strategic Initiatives	21
Corporate Social Responsibility	22
Environment, Social & Governance	24
Board of Directors	30

STATUTORY REPORTS

Directors' Report	32
Management Discussion and Analysis	46
Corporate Governance Report	52
Business Responsibility & Sustainability Report	65

FINANCIAL STATEMENTS

Standalone Financial Statements	110
Consolidated Financial Statements	169

General information

BOARD OF DIRECTORS

Shri Sukhbir Singh Dahiya, Chairman
Shri Naveen Chopra, Managing Director
Shri Jatin Dahiya, Executive Director
Shri Jagbir Singh Ahlawat, Director
Shri Tilak Raj Bajalia, Independent Director
Shri Kuldip Singh Suhag, Independent Director
Shri Ashok Goyal, Independent Director
Ms. Teesta Sandhu, Independent Director

COMPANY SECRETARY & CHIEF HR OFFICER

CS Sugandha Kukreja

CHIEF FINANCIAL OFFICER

CA Sunil Parsad

BANKERS

HDFC Bank Limited
Punjab National Bank
Kotak Mahindra Bank Limited
AU Small Finance Bank Limited
Axis Bank Limited

AUDITORS

M/s. S. Tandon & Associates LLP
Chartered Accountants,
Competent House, C-157, Phase-VII,
Industrial Area, Mohali-160 055
Firm Registration No. 006388N / N500433

INTERNAL AUDITORS

M/s. H.N. Pardhan & Co.
Chartered Accountants,
I-1, First Floor, Kirti Nagar,
New Delhi-110 015
Firm Registration No. 02208N

COST AUDITORS

M/s. Kabra & Associates,
Cost Accountants,
552/1B, Arjun Street,
Main Vishwas Road, Vishwas Nagar
Delhi- 110032
Firm Registration No. 0075

REGISTERED OFFICE & CORPORATE OFFICE

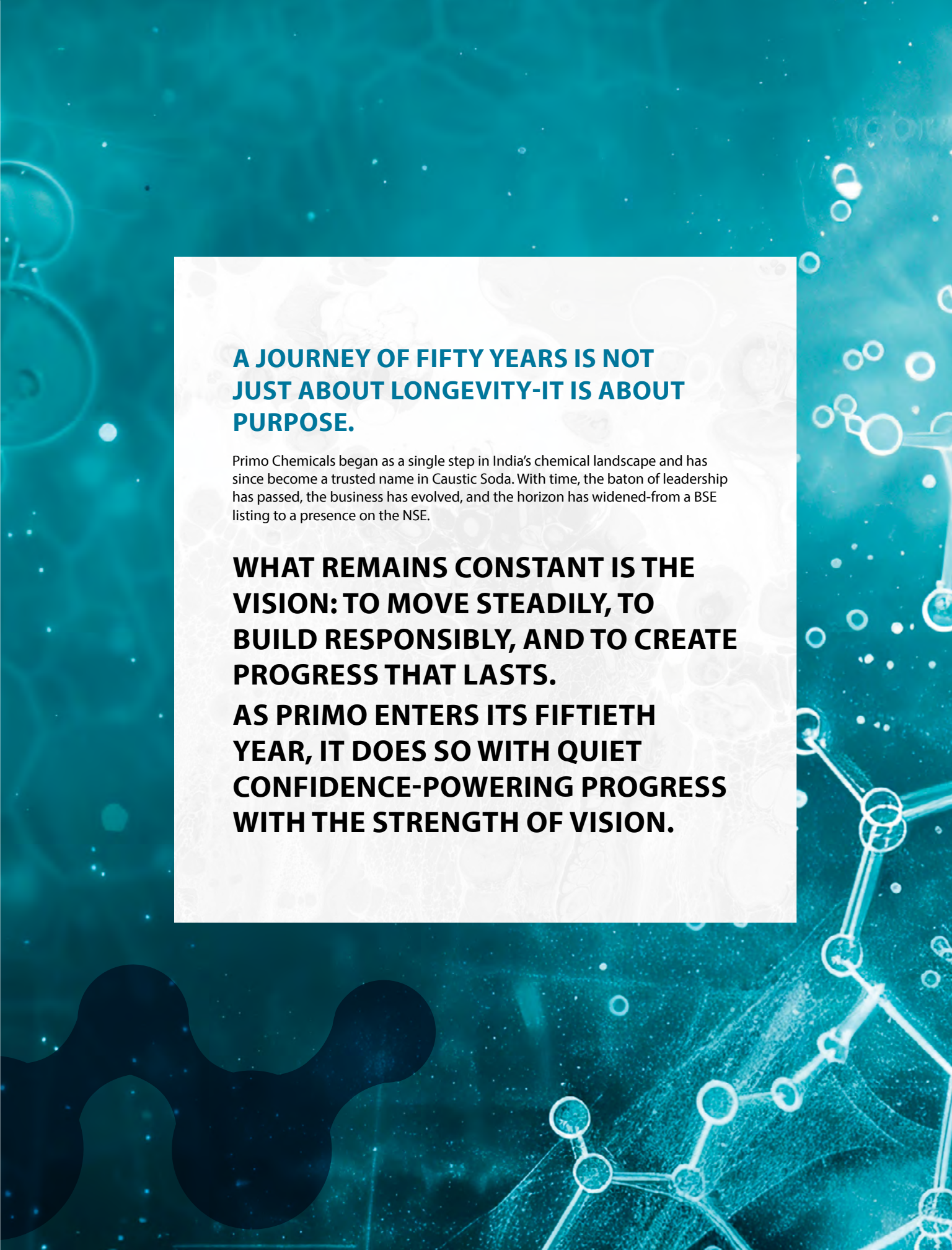
Bay No.46-50, Sector-31A,
Chandigarh-160 030
CIN L24119CH1975PLC003607

WORKS

Nangal-Una Road,
Naya Nangal- 140 126
Distt. Ropar, Punjab

REGISTRARS & SHARE TRANSFER AGENTS

Beetal Financial & Computer Services Private Limited,
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre,
New Delhi- 110 062

The background is a vibrant teal color with a complex pattern of white and light blue molecular structures, including spheres and connecting lines, suggesting a chemical or scientific theme. A large, white, rounded rectangular box is centered on the page, containing text. In the bottom left corner, there is a dark teal, abstract, wavy shape.

A JOURNEY OF FIFTY YEARS IS NOT JUST ABOUT LONGEVITY-IT IS ABOUT PURPOSE.

Primo Chemicals began as a single step in India's chemical landscape and has since become a trusted name in Caustic Soda. With time, the baton of leadership has passed, the business has evolved, and the horizon has widened-from a BSE listing to a presence on the NSE.

WHAT REMAINS CONSTANT IS THE VISION: TO MOVE STEADILY, TO BUILD RESPONSIBLY, AND TO CREATE PROGRESS THAT LASTS.

AS PRIMO ENTERS ITS FIFTIETH YEAR, IT DOES SO WITH QUIET CONFIDENCE-POWERING PROGRESS WITH THE STRENGTH OF VISION.

YEARLY SNAPSHOT

Highlights That Shaped Us

The past year was marked by growth, resilience, and significant milestones. From breakthrough achievements to valuable lessons learned, this snapshot showcases how we delivered impact, navigated change, and laid the foundations for future success. These highlights reflect the unwavering commitment of our team and the continued trust of those we serve.



REVENUE

₹ **5,556** million**~40** %Year-on-Year increase
.....

EBITDA MARGIN

16.06 %**~14,200**
basis points (bps)Year-on-Year increase
.....

CASH FLOW FROM OPERATIONS

₹ **644.34** million**~371** %Year-on-Year increase
.....

EBITDA

₹ **892** million**~239** %Year-on-Year increase
.....

NET PROFIT

₹ **36** million**~110** %Year-on-Year increase
.....



FROM THE CHAIRMAN'S DESK

This success demonstrates our ability to address challenges, capitalise on opportunities, and deliver consistent value to our shareholders. It's a moment that reflects our commitment to steady growth.

Dear Shareholders, Esteemed Board Members, Valued Employees, and Cherished Stakeholders,

We are excited to present our Annual Report for FY 2024-25. As we reflect on the past year, we are both inspired and proud of the milestones we've achieved. Despite global uncertainties and economic challenges, we've successfully navigated these obstacles, emerging stronger and more resilient. This progress underscores our unwavering commitment to our mission.

The accomplishments we've made are a direct result of the hard work, dedication, and passion of our team. We are excited to share the highlights of our successes, key insights, and strategies for the future—all designed to drive continued growth and create even greater opportunities for success together.

CELEBRATING THE 50TH YEAR!

This year is especially momentous as we proudly celebrate the 50th anniversary of our esteemed organisation—a remarkable journey that began in 1975. What started as a humble venture has since flourished into a leading name in Northern India's chemical industry, driven by an unwavering commitment to excellence and resilience.

LISTING ON THE NATIONAL STOCK EXCHANGE

We are thrilled to announce our successful listing on the National Stock Exchange—an important milestone that marks a new chapter in our journey. This achievement reflects the growing confidence that investors and stakeholders have in our vision and strategic direction.

Being listed on such a prestigious platform not only enhances our visibility and credibility in the financial markets but also opens up exciting avenues for future growth. It strengthens our ability to drive innovation, expand our impact, and contribute even more meaningfully to India's industrial progress.

The Company is excited to take initiatives aimed at improving our internal operations because we believe that lasting progress begins from within. Following a period of turnaround, we've been working diligently to strengthen our financial stability and enhance our operational performance. We're proud to maintain a diverse product portfolio within our main business segment and are committed to social responsibility, demonstrating our dedication to creating a positive impact.

FINANCIAL PERFORMANCE

We're glad to share that Primo Chemicals has achieved solid financial results for FY 2024-2025. These outcomes result from our focused strategy, operational efficiency, and the steadfast commitment of our team. This success demonstrates our ability to address challenges, capitalise on opportunities, and deliver consistent value to our shareholders. It's a moment that reflects our commitment to steady growth.

THE BIGGER PICTURE

This performance holds even greater significance within the dynamic landscape of India's growing economy and the evolving chemical industry. As India continues its ascent as a global economic powerhouse, the chemical sector remains integral to industrial progress, supporting vital industries such as textiles, agriculture, and water treatment.

Our success in this competitive and dynamic environment highlights our strategic agility and crucial role in advancing India's industrial ambitions. By delivering high-quality chemical solutions, we contribute significantly to economic growth while aligning with the nation's vision for progressive development.

FUTURE GROWTH

Primo Chemicals is well-positioned for sustained growth, driven by strategic investments in advanced technologies. These initiatives will significantly boost our production capacity and operational efficiency.

We remain focused on improving operational, financial, and sales efficiencies while enhancing capacity utilisation and value generation from recently commissioned projects. Our commitment to customer satisfaction and quality guides our operations as we expand our product portfolio and enter new markets.

Looking ahead, we aim to strengthen our leadership in the chemical industry by exploring future projects to further reduce power costs, creating lasting value for our stakeholders and the communities we serve.

A CONCLUDING NOTE

To conclude, I would like to express my sincere gratitude to our shareholders for their steadfast support, to our employees for their tireless efforts, and to our valued clients and partners for their trust. Together, we've created a proud 50-year legacy, and together, we're excited to shape an even brighter future. Let's move forward with fresh enthusiasm, united in our goal to foster progress and excellence. Thank you all! Here's to a future full of limitless opportunities for Primo Chemicals Limited.

With warm regards,

SUKHBIR SINGH DAHIYA
Chairman



STATEMENT FROM THE MANAGING DIRECTOR'S DESK

Despite industry challenges, our resilience persisted, and we managed to recover. The Company maintained steady operational performance.

Dear Stakeholders,

Reflecting on our achievements over the past year instils a sense of pride and enthusiasm. This year represents a significant milestone, celebrating half a century of excellence in the chemical industry. Our journey is a testament to resilience, strategic foresight, and an unwavering commitment to excellence.

As we continue to navigate a dynamic economic landscape, our collective accomplishments serve as a robust foundation for future opportunities. I am inspired by our progress and look forward to further strengthening our leadership position in the chemical sector of Northern India.

STATE OF THE INDIAN ECONOMY

In FY 2024-2025, the Indian economy demonstrated robust growth despite persistent global uncertainties. Real GDP expanded at an estimated rate of 6.5%, driven by a 7.2% increase in private consumption, which contributed 56.5% to GDP. The industrial sector also experienced substantial growth, bolstered by ongoing infrastructure investments and a significant rise in capital expenditure over the past few years. Annual inflation subsided during the year, with monthly inflation rates remaining well within the RBI's tolerable limit. In response, the RBI implemented several rate cuts, reducing the rate by 100 basis points to 5.5%.



CHALLENGES OF THE CHEMICAL INDUSTRY IN INDIA

However, the Indian chemical industry is currently facing significant challenges. Global trade disruptions, particularly in key shipping routes such as the Red Sea, have led to increased logistics costs. Oversupply and subdued global demand have exerted pressure on margins, while stringent environmental regulations necessitate costly transitions to low-carbon technologies. Additionally, high interest rates, regulatory complexities, and competition from international players, particularly in the speciality chemicals sector, have posed substantial challenges to growth. Despite these hurdles, India remains the world's sixth-largest producer of chemicals.

OPERATIONAL PERFORMANCE

Despite industry challenges, our resilience persisted, and we managed to recover. The Company maintained steady operational performance. Our manufacturing units saw moderate growth, supported by increased production and improved sales of Caustic Soda Lye and Flakes. Capacity utilisation reached 84%, with Caustic Soda Lye production totalling 138,068 MT, up from 118,899 MT at 77% utilisation in FY 2023-2024. Sales realisations per ECU increased from ₹33,959 to ₹38,423.

However, subdued operations at the Stable Bleaching Powder and Aluminium Chloride plants due to weak demand, coupled with higher power consumption, increased electricity costs from Punjab State Power Corporation Limited, and operational issues with the 35 MW Captive Power Plant, limited further growth.

FINANCIAL PERFORMANCE

Our financial results for FY 2024-2025 indicate a positive trend. Revenue increased by approximately 40% to ₹ 555.56 crores, and the company moved from a net loss of ₹ 25.33 crores to a net profit of ₹ 3.56 crores. The EBITDA on a consolidated basis rose by around 239% to ₹ 89.23 crore, and cash generated from operations grew by over 370% to ₹ 64.43 crore. These results demonstrate a steady operational improvement..

BEHIND THE HEALTHY GROWTH

Our performance, both operationally and financially, was supported by increased sales realisation driven by higher prices of caustic soda and flakes, aligned with steady market demand. Domestic demand across industries such as paper, soap & detergent, textiles, and water treatment remained steady, leading to consistent sales volumes compared to the previous year. This stability, along with operational efficiencies and the commissioning of new facilities, helped us to maintain our market position and support revenue and profitability.

FUTURE POSSIBILITIES OF INDIA'S CHEMICAL SECTOR

The Indian chemical industry's ongoing transformation and policies present opportunities for us. Global shifts like 'China Plus One' can boost India's role in the supply chain, aiding exports and capacity use. Growing domestic demand in sectors such as aluminium, pulp & paper, textiles, pharmaceuticals, construction, and water treatment indicates strong sales potential, especially for Caustic Soda and chlorine derivatives.

Besides Lyes, Caustic Soda Flakes, which are in solid form unlike Lyes, are preferred due to their higher sodium hydroxide concentration and are gaining popularity because of their widespread use in chemical manufacturing, paper &

pulp, textiles, pharmaceutical, and agrochemical industries.

After the COVID-19 pandemic, there has been increased demand for water treatment and industrial cleaning products like Stable Bleaching Powder. The recent expansion of India's chemical and agrochemical industries also opens up new opportunities for these products.

CAPITALISING ON THE OPPORTUNITIES

Primo has strategically positioned itself in Northern India, leveraging its logistical and market advantages to meet the growing domestic demand for Caustic Soda and its derivatives. By diversifying its product portfolio to include products such as Stable Bleaching Powder and Caustic Soda Flakes, the Company has effectively tapped into markets driven by increased awareness of hygiene and water treatment needs.

CONCLUSION

I extend my deepest gratitude to our shareholders for their unwavering support, to our employees for their relentless dedication, and to our customers and partners for their trust in our vision. Your partnership fuels our ambition to lead and innovate in the chemical industry.

As we reflect on FY 2024-2025, I am confident that Primo Chemicals Limited is on a trajectory of sustained growth and leadership. By harnessing sustainability and strategic investments, we are not only contributing to India's industrial aspirations but also building a legacy of excellence. Together, let us embrace the opportunities ahead and shape a future where our Company continues to thrive as a beacon of progress and responsibility. Thank you for being an integral part of this remarkable journey.

With warm regards,

NAVEEN CHOPRA
Managing Director

Source: <https://businesseconomics.in/provisional-estimate-real-gdp-records-65-growth-fy-2024%E2%80%9325>
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2132688>

ABOUT US

Shaping North India's Chemical Story for Five Decades

With one of North India's most advanced caustic soda facilities, we deliver strong capacity and reliability to industries driving the nation's growth. Our vertically integrated operations and customer-centric approach make us the preferred choice for businesses that demand consistent quality and innovative chemical solutions.



MARKET POSITION

Largest producer of Caustic Soda in North India.

50 years of industry leadership.



PRODUCTION CAPACITY

500 TPD (Tonnes Per Day) of Caustic Soda.

165,000 tonnes of annual production.



BY-PRODUCTS

Hydrochloric Acid, Liquid Chlorine, Sodium Hypochlorite, Hydrogen Gas.

OTHER PRODUCTS

Stable Bleaching Powder, Caustic Soda Flakes, Aluminium Chloride.

TECHNOLOGY & SUSTAINABILITY

HOECHST UHDE membrane cell technology ensures energy efficiency and eco-friendly operations.



REPUTATION

Trusted for superior quality, operational excellence and reliable customer service.

Drives innovation in the chemical manufacturing sector.



LOCATION

Based in Naya Nangal, Punjab, India.



TECHNICALLY QUALIFIED LEADERSHIP

Deep promoter expertise, and a professional, experienced team at every level.





VISION

- To evolve as the best company among all chloro-alkali industries in India and to address the needs of our stakeholders.
- To be identified as the most inspiring, innovative, dynamic and incredible company in India.



MISSION

- To produce the best quality product in order to meet the demands of our customers.
- To strive for continuous improvement in our quality and energy performance, be eco-friendly, ensure growth and profitability through innovation.

OUR JOURNEY

Milestones That Define Us

From small beginnings to steady growth, our journey has been shaped by hard work, lessons learned and the trust of those we serve. Every challenge made us wiser, every milestone strengthened our purpose. This is the story of how we grew-not just as a company, but as partners in progress.

1975

Incorporated as Punjab Alkalies Limited.

1983

Company was renamed, Company's equity shares issued to public.

1984

Commenced operations with an installed capacity of 37,059 TPA of Caustic Soda and 16,500 TPA of Liquid Chlorine.

2020

Appointment of new management.

2019

Conversion of the existing 200 TPD Membrane Cell Plant (Unit-II) from generation 3 to a new 6th generation Membrane Cell Plant.

1998

Conversion of the existing 170 TPD Mercury Cell Plant to 200 TPD Membrane Cell Plant (now Unit-II).

2022

- Manufacturing capacity increased from 300 TPD to 500 TPD.
- The company was renamed 'Primo Chemicals Ltd' effective December 19, 2022.
- Additionally, a 49% stake was acquired in Flow Tech Chemicals.

2023

Commissioned 100 TPD SBP Plant, 35 MW Captive Power Plant, 50 TPD Aluminium Chloride Plant and 200 TPD Caustic Soda Flaker Plant at our Naya Nangal facility in Punjab.

2024

Listed on the National Stock Exchange

1988

Transition from graphite anodes to dimensionally stable metal anodes, with the installation of an anode control and protection device.

1991

The installed capacities for Caustic Soda Lye and Liquid Chlorine have been raised to 41,152 TPA and 29,700 TPA, respectively.

1995

A 100 TPD grassroots plant using HOECHSTUHDE Membrane Cell Technology was commissioned (now Unit-I). The installed capacity of Caustic Soda Lye increased to 83,820 TPA and Chlorine production rose to 52,800 TPA.

1992

The installed capacity of Caustic Soda Lye has been increased to 50,820 TPA.

OUR COMPETITIVE ADVANTAGES

What Differentiates Us

Backed by years of expertise, we deliver consistent chemical solutions that industries rely on. Our focus remains on quality production, operational precision, and adapting to market needs, ensuring that partners receive dependable materials that meet their exact requirements every time.



STRATEGIC AGILITY

Primo Chemicals has demonstrated resilience and agility amid global slowdowns and competitive pressures, including dumping by emerging economies. Swift decision-making and strategic pivots have preserved competitiveness, unlocked new opportunities and mitigated risks-underscoring the Company's commitment to innovation.



ADVANCED TECHNOLOGY

Primo Chemicals employs advanced HOECHSTUHDE membrane cell technology-an energy-efficient, eco-friendly solution that lowers operational costs and environmental impact. This state-of-the-art system ensures high product purity and consistency, meets stringent quality standards and minimises waste through optimised resource use, supporting sustainable manufacturing.



DIVERSE PRODUCT PORTFOLIO

Primo Chemicals produces a diverse portfolio of industrial chemicals, including caustic soda (lye and flakes), hydrochloric acid, liquid chlorine, sodium hypochlorite, stable bleaching powder, hydrogen gas, and aluminium chloride. These products serve critical sectors, including paper, textiles, water treatment and fertilisers, supporting essential processes across global industries. Its widespread presence and adaptable product range position it well for continued growth and resilience in changing markets.





SOLID CUSTOMER RELATIONSHIPS

Primo Chemicals maintains long-standing relationships with institutional buyers in the textiles, paper, and water treatment sectors, ensuring consistent demand and lower marketing costs. These trusted partnerships enable faster decision-making, preferential access and a distinct competitive edge in the marketplace.



IMPROVING FINANCIAL METRICS

Primo Chemicals reported a significant increase in EBITDA and a positive net profit for the fiscal year, reflecting strong financial recovery and operational resilience. Despite recent challenges, these results highlight the strength of its business model and signal promising growth potential.



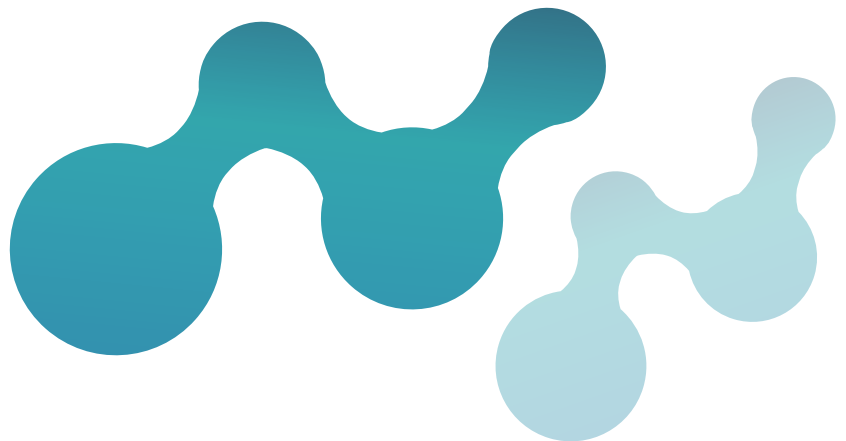
DEDICATED COMPLIANCE MANAGEMENT TEAM

A dedicated Compliance Management Team ensures strict adherence to regulations, fostering trust and operational integrity. This proactive approach minimizes risks, enhances efficiency, and strengthens our competitive position in the chemical industry.



STRICT GOVERNANCE

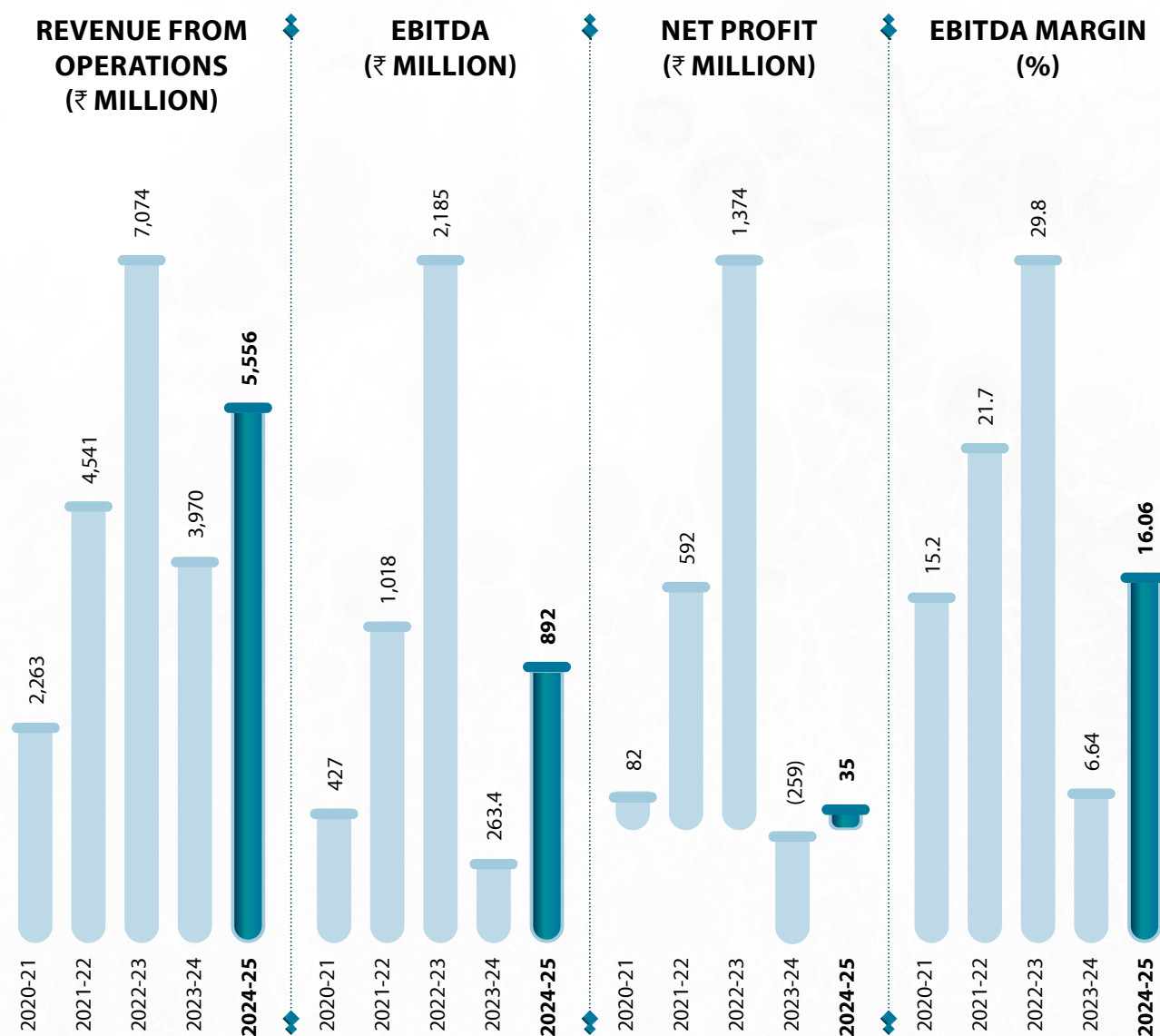
Primo Chemicals' strong focus on governance ensures transparent, ethical operations, building stakeholder trust. This commitment drives accountability, minimizes risks, and enhances our competitive edge in the chemical industry.

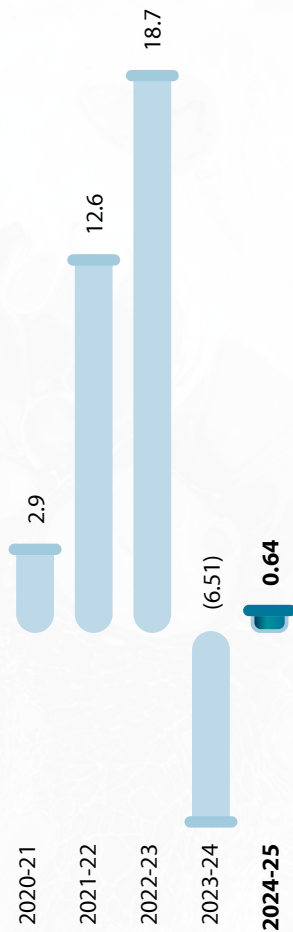
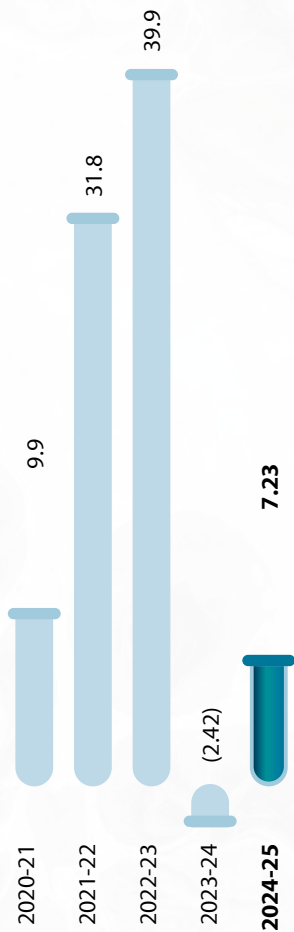


KEY PERFORMANCE INDICATORS

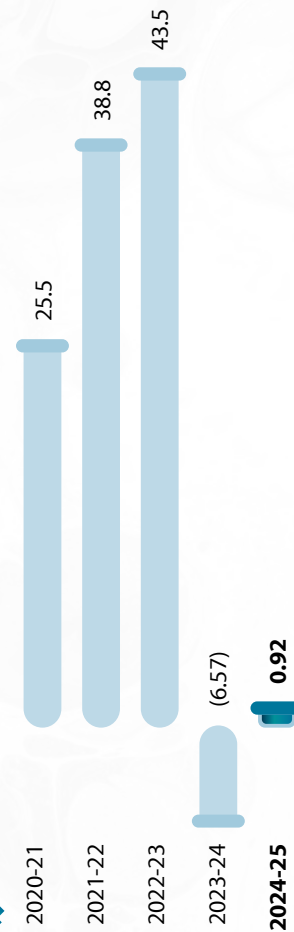
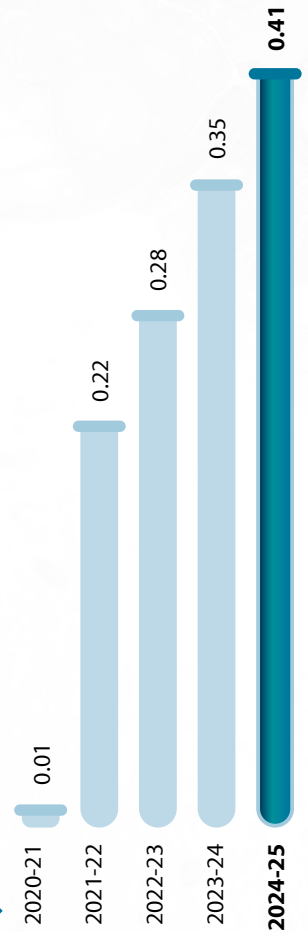
Tracking Value Creation

Our key financial indicators demonstrate the disciplined execution of our business strategy. From consistent revenue growth to improved cost efficiency, these metrics quantify our capacity to generate sustainable value. Through transparent reporting, we empower stakeholders to see how we balance near-term performance with long-term resilience—transforming data into actionable insights that drive ongoing progress.



NET PROFIT
MARGIN (%)RETURN ON CAPITAL
EMPLOYED (%)

RETURN ON EQUITY (%)

NET DEBT TO
EQUITY (X)

OUR MANUFACTURING FACILITY

Cutting-Edge Production Excellence

The manufacturing facility demonstrates advanced membrane cell technology to produce energy-efficient and eco-friendly products. It offers a wide variety of high-quality items for industries like paper, textiles, and water treatment. Built with precision, it is continuously improved to stay at the forefront of technology. The Company works hard to reduce environmental impact while ensuring reliable production. Its dedication to excellence and modern setup make it a leader in the industry, advancing progress with environmentally friendly practices.



Location: Naya Nangal, Ropar, Punjab (India)

OUR PRODUCTS AND THEIR APPLICATIONS

Diverse Chemistry, Infinite Applications

Our product portfolio is built to address the evolving demands of modern industry. From essential chemicals to specialised compounds, each offering combines quality, consistency, and performance. These materials serve as the unseen foundation for countless applications across sectors, proving that the right chemistry makes progress possible.

PRODUCTS	END-USER INDUSTRIES
Caustic Soda Lye	Paper & Paper Pulp, Soap & Detergents, Textile, Dye Stuff industry, Aluminium industry, Fertilisers & Refineries, Viscose & Rayon etc., Water demineralisation
Caustic Soda Flakes	
Hydrochloric Acid	Water demineralisation in Power & Fertiliser Plants, Metal pickling, preparation of various metal chloride etc.
Liquid Chlorine	Water treatment plants, Paper manufacturing, Stable bleaching powder, CPW & PVC, Chloromethanes and other, Chlororganic chemicals
Sodium Hypochlorite	Textile bleaching, Laundry trade, Dis-infection of drinking water etc.
Hydrogen Gas	Hydrogenation of vegetable oils and other unsaturated fats, Optical fiber units, As a coolant in power plants, As a fuel
Stable Bleaching Powder	Oxidising Agent, Disinfecting Agent, Textile Industry, Aquaculture, Water treatment process, Household bleaching and cleaning
Aluminium Chloride	Water treatment, Separation of slurry, Sizing in paper industry, Decolourisation & Decontamination of Dyes in textile industry, Sewage water treatment, Catalyst for Friedel-Crafts reactions used in Agro-chemical and Pharmaceutical Industries.



OUR MARQUEE CLIENTS

Extensive Market Reach

We work with amazing people and businesses. Their trust motivates us to strive for excellence every day. Together, we solve problems, create value, and build strong relationships. Their success is our biggest achievement.





OPPORTUNITIES

Unlocking Possibilities: Pathways to Success

Primo Chemicals Limited is well-positioned to capitalise on the dynamic growth of the chemical industry. Through advanced technology and forward-looking strategies, the Company is committed to meeting rising market demand, driving sustainable innovation, and expanding its global footprint. These initiatives reflect a clear focus on long-term growth and enduring value creation for all stakeholders.

GROWING INDIAN CHEMICAL MARKET

India's chemical industry is a resilient and fast-growing sector, poised for significant expansion in the years ahead. Primo Chemicals is well-positioned to capitalise on this momentum by strengthening its market presence in caustic soda and speciality chemicals. With substantial production capacity and a focus on sustainable innovation, the Company is primed to accelerate growth and create long-term value.

WATER TREATMENT MARKET GROWTH

Growing demand for clean water solutions-fuelled by rapid urbanisation and supportive government initiatives-is driving increased need for Primo's sodium hypochlorite and stable bleaching powder. Leveraging its technical expertise and proven capabilities, the Company is well-positioned to secure contracts in municipal and industrial water treatment projects, contributing to public health and environmental sustainability.

RISING CAUSTIC SODA PRICES

Improved sales realisation underscores strong and sustained market demand for caustic soda and flakes. Primo Chemicals is well-positioned to capitalise on favourable pricing trends by leveraging its robust production capabilities and established market presence. This momentum supports the Company's ambition to accelerate revenue growth and achieve meaningful sales expansion in the years ahead.



STRATEGIC INITIATIVES

Driving Growth: Our Strategic Roadmap

Our strategic plan centres on reinforcing market leadership and responding to evolving industry demands. By turning challenges into opportunities, we remain committed to creating long-term value step by step, with purpose and precision.

COST OPTIMISATION THROUGH POWER PLANT

The 35 MW captive power plant, despite early operational challenges, presents a strong opportunity to reduce energy costs and improve margin resilience. Through focused efforts on maintenance, system reliability, and targeted equipment upgrades, the company aims to optimise plant performance, reduce unplanned outages, and establish a consistent, cost-effective energy supply. These initiatives are expected to support long-term energy cost reduction and enhance margin resilience, contributing to greater operational sustainability.

OPTIMISATION OF RESOURCES

Simultaneously, the Company is exploring strategic avenues to further reduce energy costs, supporting enhanced operational efficiency and long-term competitiveness.

DIRECT LISTING ON THE NATIONAL STOCK EXCHANGE (NSE)

On 22 April 2025, Primo Chemicals' Equity Shares commenced trading on the Main Board of the National Stock Exchange of India Limited (NSE), following NSE approval on 17 April 2025. This strategic listing enhances market visibility, broadens shareholder access, and provides greater trading flexibility, strengthening investor confidence and market perception.

CAPACITY UTILISATION

Primo is actively focusing on improving capacity utilisation across its downstream product portfolio, including SBP, Caustic Soda Flakes, and Aluminium Chloride.

CONTINUING FOCUS ON THE CHEMICALS BUSINESS SEGMENT

Primo Chemicals operates a vertically integrated business focused on a core portfolio of interconnected products, including Caustic Soda Lye and Flakes, Hydrochloric Acid, Liquid Chlorine, Hydrogen Gas, Sodium Hypochlorite, Stable Bleaching Powder, and Aluminium Chloride. Shared inputs like common utilities viz electricity, cooling water, chilled water, steam and common infrastructure such as storage tanks and machinery, enable cost efficiencies and effective by-product utilisation, reducing waste and enhancing operational performance.





CORPORATE SOCIAL RESPONSIBILITY

Empowering Communities

Primo Chemicals takes pride in being a responsible corporate entity, actively working to positively impact its stakeholders and the broader community. The Company tackles important social and environmental issues through a broad spectrum of CSR programs, building trust, encouraging good relations, and promoting sustainable growth.

Primo Chemicals reinforces its commitment to ethical principles by embedding them into every aspect of its operations. This approach not only bolsters its reputation but also paves the way for a more promising future, leaving a positive mark on stakeholders and securing long-term growth. The company regularly dedicates funds and resources to various social initiatives, including charities and

community development efforts, with a strong focus on sustainability. It advocates for environmentally responsible practices, invests in reforestation projects, and promotes regional progress.

Primo Chemicals actively engages in various community and environmental efforts. Their initiatives include reforestation projects in nearby regions, advancing animal welfare by providing food, vaccinations, and medical care for dogs and birds, and supplying essential items such as water coolers, ceiling fans, tubelights, benches, chairs, to local schools. Additionally, the company distributes solar lights to nearby areas and villages.

Additionally, the Company has engaged in CSR initiatives in collaboration with NGOs, focusing on the preservation of local natural resources and plantation of trees in the region of Punjab.



FREE HEALTH CAMPS

During the 2024-25 financial year, we organised and carried out six medical camps in collaboration with major hospitals such as Max Hospital, Cheema Hospital, Paras Hospital, Devbhoomi Advaita Heart Institute and Livasa Hospital, highlighting our continued dedication to enhancing community health. These events provided crucial medical services, such as free medicines and diagnostic services, such as sugar testing, BP testing and ECG, to around 600 community members. Through these initiatives, we ensured that individuals in need received essential healthcare and attention. Our efforts have made a positive difference in the overall health of the communities we serve, addressing various health issues and promoting their well-being.





DONATION TO SCHOOLS

In FY 2024-25, we enhanced learning environments by donating ceiling fans, tubelights, tables, drinking water coolers, and chairs to some schools across Punjab region. These contributions improved student comfort—reducing heat stress, ensuring proper lighting, providing clean drinking water, and upgrading seating. Many students benefited from these infrastructure upgrades, enabling better focus and attendance. Our commitment to education continues through practical solutions that create lasting impact.



DOG FEEDING, DOG VACCINATION AND BIRD FEEDING

At Primo, we demonstrate our commitment to animal welfare through structured dog and bird feeding programs, ensuring regular nourishment for stray animals in our communities. Our efforts extend to dog vaccination drives, protecting strays from preventable diseases and promoting a healthier ecosystem. These initiatives not only improve the quality of life for animals but also foster safer, more harmonious neighbourhoods. By addressing hunger and disease prevention, we strive to create a lasting, positive impact on the well-being of vulnerable animal populations.

ESG - ENVIRONMENT

Environmental Responsibility in Action

Our environmental efforts reflect a deep responsibility toward the planet. By aligning with global standards and fostering responsible practices, we aim to safeguard natural resources for future generations. This section highlights our dedication to environmental integrity, demonstrating how conscientious actions today can create lasting, positive impacts for ecosystems and communities alike.

At Primo Chemicals, protecting the environment is a top priority. We understand that managing our ecological impact is crucial to our success, and we are committed to implementing responsible practices throughout our operations to reduce our footprint and lead the way in environmental accountability.

EMISSION CONTROL MEASURES

To address fugitive emissions, we have implemented advanced capture systems across our operations:

- **Chlorine Emission Capture:** Fugitive chlorine emissions from various sections are effectively captured using strategically placed hoods connected to a centralised duct system, directing the emissions to a specialised chlorine neutraliser for safe treatment.
- **Ambient Air Quality Monitoring:** Three High Volume Samplers (HVS) have been installed to continuously monitor ambient air quality, tracking particulate matter (PM), chlorine, and HCl vapours to ensure compliance with stringent environmental standards.

WATER MANAGEMENT INNOVATIONS

Our water management strategies prioritise resource conservation and recycling, ensuring sustainable water use across our operations:

- **Online Continuous Effluent Monitoring Systems (OCEMS):** We have deployed OCEMS to meticulously monitor treated wastewater, enabling its safe reuse in industrial processes and minimising environmental impact.



- **Effluent Generated from Resin Column:** 100% of the effluent generated from Resin column is taken back to the system using special resin.
- **Brine Reuse:** Brine drained during sample collection is recirculated and reused, significantly reducing chloride and Total Dissolved Solids (TDS) content in the ETP, further supporting our water conservation efforts.

ENERGY EFFICIENCY AND ENVIRONMENTAL STEWARDSHIP

Our commitment to sustainability extends to energy management and ecological initiatives:

- **Regular Energy Audits:** We conduct periodic energy audits to identify opportunities for improving energy efficiency across our manufacturing facilities, ensuring optimal resource utilisation.
- **Zero Liquid Discharge:** In compliance with the Punjab Pollution Control Board, we have achieved zero liquid discharge, reflecting our dedication to minimising environmental impact.
- **Energy-Saving Measures:** Energy efficiency initiatives are integrated wherever feasible, reducing our carbon footprint and operational costs.
- **Environmental Initiatives:** Beyond operational improvements, we actively engage in tree planting and other environmental programs to enhance local ecosystems and promote biodiversity.



A VISION FOR SUSTAINABILITY

Through these multifaceted efforts, Primo Chemicals exemplifies its unwavering commitment to environmental responsibility and sustainable industrial practices. By integrating cutting-edge technology, rigorous monitoring, and proactive ecological initiatives, we strive to create a greener, more sustainable future for our community and beyond.

PLANTATION DRIVE

On July 31, 2025, Primo Chemicals took a significant step towards a greener future by organizing a plantation drive. A total of 500 saplings were planted, reflecting our deep-rooted commitment to environmental stewardship and our dedication to nurturing a sustainable ecosystem for generations to come.



ESG - SOCIAL

Fostering Inclusive and Thriving Communities

True social progress extends beyond internal operations. It is achieved by actively empowering employees through growth and well-being initiatives, while also enriching external communities through strategic partnerships and inclusive programs. This dual focus on people and places creates a tangible, positive impact and builds a more equitable and resilient society for all.

At Primo Chemicals, our vision is to create enduring value for the communities we serve through impactful Corporate Social Responsibility (CSR) initiatives. We are committed to fostering positive change by prioritising environmental sustainability, promoting education, advancing healthcare, enhancing livelihoods, and championing animal welfare. These efforts reflect our dedication to leaving a lasting, meaningful legacy for our stakeholders and society.

Equally central to our mission is our unwavering commitment to safety and quality. Guided by our "Safety First" ethos, we safeguard our employees, contractors, and transporters through modern tools, advanced safety devices, and stringent work permit systems. Simultaneously, we drive innovation and continuous improvement to elevate our products and processes, fuelling growth and diversification. By delivering

high-quality products and reliable, on-time services, we maximise customer satisfaction while contributing to community well-being.

Through our integrated approach to social responsibility, safety, and quality, Primo Chemicals not only achieves its corporate objectives but also builds a brighter, safer, and more sustainable future for all.

SOLAR STREETLIGHT INSTALLATION

To promote sustainability and environmental responsibility, we have installed solar-powered streetlights in the vicinity of our plant. Harnessing renewable energy, these streetlights enhance safety and visibility while significantly reducing our carbon footprint. This initiative not only illuminates the community but also underscores our dedication to energy efficiency and sustainable development, fostering a brighter, greener future for all.

COMMUNITY HEALTH CLINIC

Demonstrating our commitment to societal well-being, we proudly established a permanent health clinic in the last financial year. This facility offers accessible, comprehensive healthcare services, addressing diverse medical needs and promoting overall health, thereby enriching the lives of community members and fostering a healthier society.



LIFE AT PRIMO

At Primo Chemicals Limited, we place the well-being and development of our employees at the heart of our organisational values. We are committed to fostering a work environment where individuals thrive both personally and professionally. Our focus on holistic employee welfare is reflected through various initiatives that support physical health, emotional well-being, and professional growth. We conduct regular Health Camps not only for the residents of nearby villages but also for our employees, thereby extending our care to the larger community.

Continuous learning is a fundamental pillar at Primo. We offer a wide range of training and development programs designed to enhance skills and promote awareness of essential topics. These include POSH (Prevention of Sexual Harassment), Human Values and Professional Ethics, Income Tax and GST regulations, Time Management, Prohibition of Insider Trading, Work-Life Balance, First-Aid, Cyber Safety, Stress Management, Leadership Development, Inventory Control, and Teamwork, etc. These workshops keep our workforce updated with industry standards while empowering them to excel in their roles.



Beyond professional development, we recognise the importance of employee engagement and a balanced work-life culture. We regularly host extracurricular activities, including birthday and festive celebrations, team games, and engagement events, to promote camaraderie and joy among team members. Our belief is that a well-rounded individual contributes not only to the organisation but also focuses on improving operational, financial, and sales efficiencies.

Ultimately, our efforts in employee training, engagement, and welfare are strategic investments in building a culture of ownership, accountability, and collaboration. Engaged employees find fulfilment in their work, take pride in their contributions, and drive innovation and excellence across the organisation.



ESG - GOVERNANCE

Leadership with Accountability

Strong governance is the foundation of sustainable growth. Our framework is built on accountability, transparency, and ethical leadership at every level. Through clear policies, independent oversight, and stakeholder engagement, we ensure integrity guides every decision-building trust and driving long-term value for our company, shareholders, and the communities we serve.



COMMITMENT TO TRANSPARENCY AND DISCLOSURE

We prioritise open and timely communication, providing stakeholders with clear, accurate, and comprehensive financial and management information. This dedication to transparency strengthens trust and ensures informed decision-making across all levels of engagement.

BALANCED BOARD COMPOSITION

As of March 31, 2025, our Board of Directors exemplifies a balanced and effective governance structure, comprising:

- 2 Executive Directors, providing strategic leadership and operational expertise.
- 4 Non-Executive Independent Directors, ensuring impartial oversight and objective decision-making.
- 2 Non-Executive Non-Independent Directors, contributing specialised knowledge and perspectives.

This diverse composition fosters collaborative governance, blending executive insight with independent scrutiny to steer the company toward sustained growth and excellence.

RIGOROUS ANNUAL PERFORMANCE EVALUATION

To uphold accountability and drive continuous improvement, our Board conducts a thorough annual evaluation process, assessing:

- Individual Director Performance, ensuring each member's contributions align with our strategic goals.
- Committee Effectiveness, evaluating the performance of key governance committees.
- Overall Board Performance, reviewing collective efficacy in guiding the company.

The evaluation process is structured to maintain impartiality:

- Independent Directors' performance is assessed by the full Board, excluding the director under review.
- Non-Independent Directors, the Chairman, and the Board as a whole are evaluated by Independent Directors in a dedicated meeting.
- The Nomination and Remuneration Committee (NRC) oversees a comprehensive evaluation of all directors.

This meticulous process reinforces accountability and enhances leadership effectiveness.

UNWAVERING COMMITMENT TO COMPLIANCE

Primo Chemicals adheres strictly to all applicable local, national, and international regulations, encompassing environmental, safety, and quality standards. Our proactive compliance measures reflect our dedication to ethical operations, stakeholder well-being, and environmental stewardship. By continuously monitoring regulatory changes and refining our practices, we uphold the highest standards of integrity and operational excellence, ensuring a legacy of responsible and sustainable business leadership.

Board of Directors



Mr. Sukhbir Singh Dahiya

Non-Executive Chairman

A seasoned industrialist and thought leader over three decades of experience, including 19 years in the chemical industry. He holds Diploma in Civil Engineering from the Haryana State Board of Technical Education.



Mr. Naveen Chopra

Managing Director

With over 33 years of extensive experience in the chemical industry, he holds Bachelor's degree in Chemical Engineering and an MBA from Punjab University.



Mr. Jatin Dahiya

Executive Director

He has amassed 8 years of experience in the chemical industry and holds a Bachelor's degree in Engineering from Delhi University as well as a Master's in Management from Duke University (USA).



Mr. Jagbir Singh Ahlawat

Non-Executive Director

He brings over 34 Years of diverse experience including 20 years in the chemical industry. His educational Qualifications includes a Diploma in Civil Engineering from Haryana State Board of Technical Education, and an AMIE (Civil) from The Institution of Engineers (India).

**Mr. Tilak Raj Bajalia**

Independent Director

A respected banking veteran with over 42 years of experience, he served as Deputy Managing Director of SIDBI and has been associated with multiple companies and regulators in various capacities. He holds a degree in Economics, alongwith professional qualifications from ICWAI and CAIIB.

**Mr. Ashok Goyal**

Independent Director

A practicing advocate with Master's degree in economics, he brings 30 years of experience in educational administration. He has also served as a member of the Senate and the Syndicate at Panjab University.

**Mr. Kuldip Singh Suhag**

Independent Director

He holds a Bachelor's degree in Civil Engineering and brings a robust 45-year career in the field, having worked extensively with CPWD and Haryana PWD. He served as consultant to the National Highway Authority of India.

**Ms. Teesta Sandhu**

Independent Director

With 20 years of experience, she has worked across the Hotel Industry, Airlines, Forest Essentials, and Ethos Pvt. Ltd. She holds an MBA with a specialisation in Human Resources and Marketing.

Directors' Report

Your Directors are pleased to present their 50th Annual Report on the business and operations of the Company together with Standalone and Consolidated Audited Financial Statements (Ind AS based) for the Financial Year ended 31st March, 2025 and the report of the Auditors thereon.

FINANCIAL HIGHLIGHTS

The financial results of the Company for the year ended 31st March, 2025 are summarized below:-

(₹ In Crores)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operation and Other Income	576.45	416.40	576.45	416.40
Finance Costs	23.01	18.21	23.01	18.21
Depreciation	51.11	39.56	51.11	39.56
Total Expenditure excluding Finance Costs and Depreciation, etc.	487.21	390.06	487.21	390.06
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	89.23	26.34	89.23	26.34
Profit before tax	15.11	(31.43)	15.11	(31.43)
Tax Expenses	12.76	(5.57)	12.76	(5.57)
Profit after tax	2.35	(25.86)	2.35	(25.86)
Share of Profit of Associates	-	-	1.21	0.53
Net Profit for the period after Associates	2.35	(25.86)	3.56	(25.33)
Earnings per Share (EPS) of ₹2/- Basic and Diluted (in ₹)	0.10	(1.07)	0.15	(1.05)

PERFORMANCE REVIEW & STATE OF COMPANY'S AFFAIRS

During the year under review, the performance of the Company had been notably good particularly the last quarter of the year driven by higher production and sales realization of Caustic Soda Lye and Flakes. Your Directors believe that the results would have been much encouraging but for marginally increase in power consumption per ton of Caustic Soda Lye, cost of power supplied by the Punjab State Power Corporation Limited and not achieving expected power generation from the Company's 35 MW Captive Power Plant due to some operational issues. The performance would have been further accelerated but for running of Stable Bleaching Powder and Aluminum Chloride plants at lesser capacity due to sluggish demand in the market. Despite these challenges, the Company remained resilient and continued to focus on operational efficiencies and market responsiveness.

The Company has recorded an EBITDA of ₹89.23 Crores during the Financial Year ended 31st March, 2025 as compared to ₹26.34 Crores in the previous financial year denoting an increase of 238.76%. The Capacity Utilization at 84% with production of 1,38,068 MT of Caustic Soda Lye (CSL) during the year under review was higher against 1,18,899 MT denoting 77% Capacity Utilization in the preceding year. Consequently, Net Sales Turnover has increase by 34.44% to ₹533.58 Crores during the financial year ended 31st March, 2025 as against Net Sales Turnover of ₹396.87 Crores during the previous financial year. The combined average sales realization (net of GST) has increased from ₹33,959/- per ECU in the Financial Year ended 31st March, 2024 to ₹38,423/- for the

financial year ended 31st March, 2025. All these factors led the Company's Net Profit before Tax to the level of ₹15.12 Crores for the financial year ended 31st March, 2025 as against Net Loss before Tax of ₹31.43 Crores during the previous financial year.

ASSOCIATE COMPANY

As on 31st March, 2025, the Company has only one Associate Company namely Flow Tech Chemicals Private Limited (FTCPL), a Promoter Group Company. The total Revenue of FTCPL was ₹275.44 Crores with Profit before tax of ₹3.56 Crores as compared to the Revenue of ₹228.78 Crores with Net Profit before tax of ₹1.47 Crores in the previous year. There are no Subsidiary or Joint Venture Companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the Statement containing salient features of the financial statements of the Associate Company in Form AOC-1 is given in Annexure – I, forming part of this Report.

CHANGE IN CAPITAL STRUCTURE

During the period under review, the Company did not undertake any issuance or allotment of shares. As a result, there has been no change in the paid-up share capital of the company.

PERFORMANCE AT THE CONSOLIDATED LEVEL

The Company's Associate Company Flow Tech Chemicals Private Limited (FTCPL) which is primarily engaged in the manufacturing of Chlorinated Paraffin (CP) a widely used Plasticizer and Hydrochloric Acid. FTCPL is one of the major consumer of Chlorine, resulting substantial dependence of our Company on its Associate company for the disposal of Chlorine and sustainable operations.

At Consolidated Level, Profit after Tax of the Company was ₹3.56 Crores during the Financial Year 2024-25 as against Loss after tax of ₹25.33 Crores in the previous year.

Due to prevailing cash flow scenario, the Directors regret their inability to recommend any dividend for the financial year ended 31st March, 2025 for payment to the equity shareholders of the Company.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company

has formulated and adopted the Dividend Distribution Policy, which is available on the website of the Company at <https://www.primochemicals.in/page/investors>.

FINANCE

During the year, your Company has availed a Term Loan from HDFC Bank to meet the fund requirements related to renovation /construction work of the Company's Corporate and Registered Office Building. The details of the said finance, forms part of Notes of the Financial Statements.

DEPOSITS

During the year under review, the Company has not accepted any deposit from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There had been no material changes and commitments during the period from end of Financial Year under review till the date of this Report which may be affecting the financial position of the Company.

CURRENT OPERATIONS & OUTLOOK

The performance of the Company showed improvement, largely attributable to favorable market conditions and increased demand of its products. Your Company has done well in the first quarter ended 30th June, 2025 of the financial year 2025-26, reflecting a positive start of the year. The average capacity utilization of Caustic Soda Plant during the said period was 83% as compared to 81% in the corresponding period of the preceding financial year. The combined average sales realization in this period increased to ₹41121 per ECU - an increase of ₹5044 per ECU over the combined sales average realization of ₹36077 per ECU during the corresponding period in the financial year 2024-25. The Net Profit (before tax) has been ₹7.09 Crores on a Sales Turnover of ₹141.94 Crores against a Net Profit (before tax) of ₹3.04 Crores on a Sales Turnover of ₹121.93 Crores in the corresponding period of the preceding financial year.

The Company has secured long-term coal linkages with an Annual Contracted Quantity of 1,25,000 MT for a period of 10 years or the life of the mine, whichever is earlier, by

entering into Fuel Supply Agreements dated 1st July, 2024 with Northern Coalfields limited, a subsidiary of Coal India Limited, Government of India Undertaking. This arrangement will ensure a sustainable and reliable supply of coal to the Company's Captive Power Plant. The Company is also actively addressing operational issues at the Captive Power Plant to enhance efficiency and ensure optimal performance.

Business Outlook forms a part of Management Discussion and Analysis section.

CREDIT RATING

The details of Credit Rating are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, disclosures relating to loans, guarantees and investments as on 31st March, 2025 are given in the Notes to the Financial Statements.

ENVIRONMENT AND ENERGY CONSERVATION

As a responsible chemical manufacturer, the Company consistently strives to operate in an environmentally sustainable manner, with a strong emphasis on safety, compliance, and good housekeeping practices.

The Company accords high priority to maintaining clean air and a healthy living environment for communities in and around its manufacturing facility. The Company has in place adequate pollution control equipment and all the equipment's are in operation. During the financial year 2024-25, a comprehensive Safety Audit of the plant was conducted by the National Safety Council. The Company is actively implementing the recommendations arising from the audit to further strengthen its safety systems and practices.

The Company remains committed to enhancing energy efficiency across its operations. Regular energy audits are conducted to identify opportunities for energy conservation and process optimization. During the financial year 2024-25, an Energy Audit was carried out by NITCON Limited. The recommendations provided are currently under various stages of implementation to improve overall energy performance.

The information relating to the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required to be disclosed pursuant to the provisions

of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, is given in Annexure-II forming a part of this report.

LISTING

The Equity Shares of the Company continue to be listed on BSE Limited. In response to the Company's application for direct listing on the National Stock Exchange of India Limited (NSE), NSE, vide its letter dated 17th April, 2025, granted listing and trading approval for the Company's Equity Shares on its Main Board with effect from 22nd April, 2025. Accordingly, the Equity Shares of the Company are now listed and actively traded on both BSE and NSE.

The Annual listing fees for the year 2025-26 have been duly paid to both BSE Limited and National Stock Exchange of India Limited.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Company didn't fall within the ambit of Section 135(1) of the Companies Act, 2013. However, in line with its commitment to social responsibility and in accordance with its CSR Policy, the Company voluntarily spent ₹34.41 lacs on routine CSR activities. The detailed report as per Section 135 of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014 has been attached as Annexure III.

The particulars of the Corporate Social Responsibility Committee constituted by the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder are included in the Corporate Governance Report annexed and forming part of this Report.

HUMAN RESOURCES

At Primo Chemicals Limited, it has been our continuous endeavor to foster safe, healthy, and environmentally friendly work practices, supported by strong leadership and management commitment, to ensure sustainable business growth.

The Company continued to focus on the development and upgradation of its human resources through regular training and skill enhancement programs. Industrial relations remained cordial throughout the financial year under review, contributing to a stable and productive work environment.

The Particulars of Employees and Managerial Remuneration under Section 197(12) of the Companies Act, 2013 read

with Rule 5(1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in Annexure - IV forming a part of this Report.

As per the requirement of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company which will be available for inspection at the Registered Office of the Company during working hours. Members interested in obtaining the said information will be furnished the same upon receipt of the request.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT THE WORKPLACE

The Company has zero tolerance for Sexual Harassment at Workplace and has in place a "Policy on Sexual Harassment at Workplace" pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The Policy aims to provide protection to employees at the Workplace and prevent and redress complaints of sexual harassment. The Policy has been framed with the objective of providing a safe working environment, where employees feel secure. This policy is being enforced in a positive manner.

Internal Complaints Committee has been setup to redress complaints regarding sexual harassment. During the calendar year ending 31st December, 2024, the details of the complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are detailed as under:

1. No. of Complaints of sexual harassment received during the period: Nil
2. No. of Complaints disposed during the period: Nil
3. No. of cases pending for more than ninety days: Nil

MANAGEMENT DISCUSSION AND ANALYSIS & CORPORATE GOVERNANCE REPORT, BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

(i) Management Discussion and Analysis

As per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report for the financial year 2024-25 is annexed as Annexure - V forming part of this report.

(ii) Corporate Governance Report

The Company has complied with the Corporate

Governance Code as stipulated under the Listing Regulations. The Corporate Governance Report for the financial year 2024-25 and Auditors' Certificate regarding compliance of conditions of Corporate Governance are also annexed as Annexure - VI forming part of this report.

(iii) Business Responsibility & Sustainability Report

The Business Responsibility and Sustainability Report (BRSR) for the year ended 31st March, 2025 as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations is annexed as Annexure VII which forms part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, particularly those relating to the conduct of Board Meetings and General Meetings.

DIRECTORS & KEY MANAGERIAL PERSONNEL

As on 31st March, 2025, the Board of Directors of the Company comprised 8 (Eight) Directors, including 2 (Two) Executive Directors, 2 (Two) Non-Executive Non-Independent Directors, and 4 (Four) Non-Executive Independent Directors, one of whom is a Woman Independent Director.

Shri Tilak Raj Bajalia (DIN: 02291892), Shri Ashok Goyal (DIN: 08930828) and Shri Kuldip Singh Suhag (DIN: 08925842) will complete their first term of 5 (Five) years as Independent Directors of the Company on 30th November, 2025. Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the proposal for the re-appointment of Shri Tilak Raj Bajalia, Shri Ashok Goyal and Shri Kuldip Singh Suhag as Independent Directors of the Company for a second term of 5 (Five) consecutive years commencing from 1st December, 2025 to 30th November, 2030 (both days inclusive), is being placed before the shareholders for approval at the ensuing 50th Annual General Meeting. Accordingly, resolutions seeking Members' approval for their re-appointment forms part of the Notice convening the 50th AGM.

Declaration of Independent Directors

As on 31st March, 2025, the Company has four Independent Directors on its Board including a woman Independent Director. All the Independent Directors have met the requirements specified under Section 149 (6) of the Act, 2013

regarding holding the position of 'Independent Director' and the necessary Declaration from each Independent Director under Section 149(7) of the Act has been received.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors re-appointed / proposed to be re-appointed and already on the Board. In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company are registered on the Independent Director Databank maintained by the Indian Institute of Corporate Affairs (IICA).

Meeting of Board of Directors

Five meetings of the Board were held during the year under review. For details, please refer to the Corporate Governance Report, which is a part of this Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, its Committees and all the Directors individually. The performance of the Independent Directors was evaluated by the entire Board except the person being evaluated. The exercise of performance evaluation was carried out electronically through a secure application.

The evaluation of Non-Independent Directors, Chairman and the Board as a whole was done at a separate meeting by the Independent Directors.

The Nomination and Remuneration Committee also reviewed the performance of all Directors of the Company. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and the Nomination and Remuneration Committee. The criteria for evaluation of the performance of the Directors (including Independent Directors) is placed on the Company's website at <https://www.primochemicals.in/page/investors>.

Retirement by Rotation

In accordance with the provisions of the Articles of Association

of the Company, read with Section 152 of the Companies Act, 2013, Shri Jagbir Singh Ahlawat, Director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Necessary Resolutions for the re-appointment of aforesaid Director, wherever applicable, have been incorporated in the Notice convening the ensuing 50th Annual General Meeting. As required under the Listing Regulations and Secretarial Standards on General Meetings issued by ICSI, the relevant details of Director retiring by rotation at the ensuing AGM is furnished as 'Annexure A' to the Notice of AGM.

Committees of the Board

Pursuant to the requirements under the Companies Act, 2013 and the Listing Regulations, the Board has constituted the following committees:

- a. Audit Committee
- b. Stakeholders Relationship cum Share Transfer Committee
- c. Nomination & Remuneration Committee
- d. Corporate Social Responsibility (CSR) Committee
- e. Risk Management Committee

The details of the Committees viz. Composition, number of meetings held and attendance of the Committee Members in the meetings are given in the Corporate Governance Report forming part of this Annual Report.

The Company has formulated a Risk Management Policy as per the requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which can be accessed on the Company's website at <https://www.primochemicals.in/page/investors>. The said Policy includes identification, assessment, response and monitoring system for mitigation of various risks.

Key Managerial Personnel ('KMP')

The Board of Directors of the Company has appointed CA Sunil Parsad in place of Shri Arun Kumar Kaushal as Chief Financial Officer of the Company with effect from 1st July, 2024 upon recommendation of Nomination and Remuneration Committee of the Company.

As on 31st March, 2025, the Company has the following Key Managerial Personnel as per Section 2(51) of the Companies Act, 2013:

1. Shri Naveen Chopra, Managing Director

2. Shri Jatin Dahiya, Executive Director
3. CA Sunil Parsad, Chief Financial Officer
4. CS Sugandha Kukreja, Company Secretary and Chief HR Officer.

INTERNAL FINANCIAL CONTROL WITH RESPECT TO FINANCIAL STATEMENTS

The Company has in place adequate Internal Financial Controls with respect to financial statements. No material weakness in the design or operation of such controls was observed during the financial year 2024-25.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period under review;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts for the financial year ended 31st March, 2025 on a 'going concern' basis;
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

Consequent upon acquisition of the Company by new management in October 2020, the Companies with which the Company had already been dealing with and had already entered into Agreements, have become related parties. All the contracts /arrangements/transactions with Related Parties during the year were in the ordinary course of business and/or the same were at arm's length. Also, there were no material related party contracts entered into by the Company during the year under review. Accordingly, the disclosure of related party transactions as required is not applicable under Section 134(3) (h) of the Act in Form AOC-2 for the financial year 2024-25.

During the year, all related party transactions were placed before the Audit Committee and Board of Directors for approval.

Prior Omnibus approval of the Audit Committee has been obtained for related party transactions, which are repetitive in nature. The transactions entered into pursuant to Omnibus approval so granted are reviewed on a quarterly basis by the Audit Committee.

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of related party transactions on consolidated basis half-yearly as per the specified format to the stock exchange(s).

In line with the requirements of the Companies Act, 2013 and the SEBI Regulations, the Company has formulated a Policy on Related Party Transactions which can be accessed on the Company's website at <https://www.primochemicals.in/page/investors>.

Detailed Disclosure on Related Party transactions have been provided under the Notes on Financial Statements.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Board of Directors of the Company has in place the Policy on Vigil Mechanism and Whistle Blower. The same has also been placed on the Company's Website at <https://www.primochemicals.in/page/investors>.

AUDITORS & REPORTS THEREON

Statutory Auditors

M/s. S. Tandon & Associates LLP, Chartered Accountants (Regn. No.006388N), Statutory Auditors of the company, had been

appointed by the shareholders in the Annual General Meeting held on 15th September, 2022 for a period of five years i.e. from the conclusion of 47th Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2027, at such remuneration as may be fixed by the Board of Directors.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Cost Auditors

The Board of Directors of the Company at its Meeting held on 30th May, 2025 has appointed M/s. Kabra & Associates, Cost Accountant in practice, as Cost Auditors for the Financial Year 2025-26 as per the provisions of the Companies Act, 2013 to conduct the audit of Cost Records maintained by the Company at a remuneration of ₹80,000/- plus applicable GST besides the reimbursement of out of Pocket Expenses.

As per the provisions of the Companies Act, 2013, your Directors propose the Resolution in the Notice for the ensuing Annual General Meeting, in respect of remuneration payable to the Cost Auditors for the Financial Year 2025-26 for your ratification and approval.

The Company maintains necessary cost records as specified by the Central Government under sub-section(1) of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

Secretarial Auditor

M/s. A. Arora & Co., Practising Company Secretaries, were appointed as Secretarial Auditors of the Company for the Financial Year 2024-25. Their Secretarial Audit Report of the Company for the financial year ended 31st March, 2025 is annexed as Annexure-VIII to this Report. The Report does not contain any qualification. M/s. A. Arora & Co., Practising Company Secretaries have been re-appointed as Secretarial Auditors of the Company for the financial year 2025-26.

In accordance with the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, based on the recommendation of the Audit Committee, has approved the appointment of M/s. A. Arora & Co., Practising Company Secretaries, as the Secretarial

Auditors of the Company. The proposed appointment is for a term of five (5) consecutive financial years commencing from FY 2025-26 and ending with FY 2029-30, subject to the approval of the Members at the ensuing 50th Annual General Meeting (AGM). Accordingly, a resolution seeking Members' approval for the said appointment forms part of the Notice convening the 50th AGM.

Annual Secretarial Compliance Report

The Company has obtained an Annual Secretarial Compliance Report for the financial year ended 31st March, 2025 from M/s. A. Arora & Co., Practising Company Secretaries in compliance with the Regulation 24A of the SEBI Listing Regulations. The said Report for the financial year ended 31st March, 2025 has been submitted to the Stock Exchanges within the prescribed statutory timelines.

ANNUAL RETURN

Pursuant to Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is placed on the Company's Website and can be accessed at web link: <https://www.primochemicals.in.com/page/investors>.

OTHER DISCLOSURES

- i) There is no change in the nature of business of the Company.
- ii) There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- iii) There was no instances of one time settlement with Banks or Financial Institutions during the year.
- iv) During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.
- v) During the year, no unclaimed dividend was required to be transferred in the Investor Education & Protection Fund of IEPF Authority.
- vi) There are no significant and material orders passed by the Regulators or Courts or tribunals impacting the going concern status and the Company's operations in future.

vii) The Company has complied with the provisions related to the Maternity Benefit Act, 1961.

ACKNOWLEDGEMENTS

The Board of Directors places on record its sincere appreciation for the continued support and confidence extended by the Company's investors, participating banks, Central and State Government authorities, customers, and suppliers.

The Board also expresses its deep appreciation to all employees for their dedicated service, hard work, and commitment, which have enabled the Company to overcome challenges and achieve its objectives during the year.

For and on behalf of the Board

Sd/-

(SUKHBIR SINGH DAHIYA)

Chairman

DIN: 00169921

Place: Chandigarh

Date: 14th August, 2025

ANNEXURE – I TO THE DIRECTORS' 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 or associate companies or Joint ventures

Part B Associates and Joint Ventures

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

Name of Associates or Joint Ventures	Flow Tech Chemicals Pvt. Ltd.
1. Latest audited Balance Sheet Date	31 st March, 2025
2. Date on which the Associate or Joint Venture was associated or acquired	December, 2021
3. Shares of Associate or Joint Ventures held by the company on the year end	
a. No. of Shares	3,73,700
b. Amount of Investment in Associates or Joint Venture	5299.81 lacs
c. Extent of Holding (in percentage)	49%
4. Description of how there is significant influence	Holding of >20% Equity Shares
5. Reason why the associate/Joint venture is not consolidated.	NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet	₹1501.85 lacs
7. Profit or Loss for the year	
i. Considered in Consolidation	₹120.77 lacs
ii. Not Considered in Consolidation	Nil

1. Names of associates or joint ventures which are yet to commence operations: None

2. Names of associates or joint ventures which have been liquidated or sold during the year: None

As the Company has no Subsidiary Company, 'Part A' is not applicable

(SUNIL PARSAD)

Chief Financial Officer
FCA-503478

(SUGANDHA KUKREJA)

Company Secretary & CHRO
FCS-11578

(JATIN DAHIYA)

Executive Director
DIN:08106876

(NAVEEN CHOPRA)

Managing Director
DIN:08465391

As per our separate report of even date

For **S. Tandon & Associates LLP**

Chartered Accountants

Firm Registration No. 006388N

ICAI UDIN: 25518893BMKRPW7593

Sd/-

(Nipun Rastogi)

Partner

Membership No. 518893

Place: Chandigarh

Date: May 30, 2025

ANNEXURE – II TO THE DIRECTORS' REPORT

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2025.

A. Conservation of Energy

- | | |
|---|---|
| <p>(1) Steps taken by company towards energy conservation:</p> | <ul style="list-style-type: none"> i) The existing reciprocating Instrument Air Compressor was replaced with efficient screw compressor to reduce energy use and increase productivity. ii) Conventional lighting fixtures are being replaced with energy efficient LED lighting fixtures. iii) New motors that are being added in existing/ new plant are energy efficient. iv) Wastewater generation has been minimized by reusing process water, reducing daily pumping from the raw water pump house and decreasing the load on the RO system, thereby saving power. v) In the Flaker plant, modification of the molten salt circuit enabled the stoppage of one of the two pumps, leading to reduced power consumption. vi) Installation of new harmonic filters improved the power factor of the system, contributing to lower power consumption. vii) The Caustic Dispatch pump was replaced with a lower-rated metallic pump, reducing tanker filling time and energy use. viii) Replacement of Aluminum fan blades in the Cl2 cooling tower with FRP blades, which are more energy- efficient. |
| <p>(2) Steps taken by the company for utilizing - alternate sources of energy.</p> | |
| <p>(3) The capital investment on energy conservation equipment:</p> | <p>During the year the Company has invested approx. ₹25.61 Lacs on energy conservation equipment.</p> |

B. Energy Consumption

	2024-25	2023-24
A. Power and Fuel Consumption		
1. Electricity		
(a) Purchased		
(i) From Punjab State Power Corporation Limited		
Units (lacs KWH)	*2893.93	*2886.24
Total Amount (₹ in lacs)	19316.09	18551.44
Rate /Unit (₹) (incl. surcharge)	6.67	6.43
(ii) From Other Sources through Indian Energy Exchange		
Units (lacs KWH)	-	-
Total Amount (₹ in lacs)	-	-
Rate /Unit (₹)	-	-
(iii) Total		
Units (lacs KWH)	2893.93	2886.24
Total Amount (₹ in lacs)	19316.09	18551.14
Rate /Unit (₹) (incl. surcharge)	6.67	6.43
(b) Own Generation (lacs KWH)	485.51	NIL
Total Amount (₹ in lacs) (Inclusive of Coal Value as mentioned in Point No.2 and other overheads)	3201.09	
Rate /Unit (₹)	6.59	
Total (a)+(b) Total Units (lacs KWH)	3379.44	2886.24
Total Amount (₹ in lacs)	22517.18	18551.14
Rate /Unit (₹) (incl. surcharge)	6.66	6.43
2. Coal		
Quantity (in kg.)	34512421	514040
Total Amount (₹ In Lacs)	2577.90	46.49
3. Furnace Oil/LDO/HSD		
Quantity (K. litres)	785.518	539.985
Total Amount (₹ in lacs)	607.85	410.52
Average Rate (₹ Per K.litre)	77382	76024
4. Husk (Rice)		
Quantity (In MT)	17567.13	6925.89
Total Amount (₹ In Lacs)	1052.72	492.84
Average Rate (₹ PMT)	5992.53	7115.95
B. Consumption per Unit		
1. Electricity (KWH)		
- Caustic Soda Lye	2403	2408
- Additional Consumption for conversion to Caustic Soda Flakes	91	116
- Consumption for Aluminum Chloride	65	101
- Consumption for Stable Bleaching Powder	361	380
2. Furnace Oil/LDO/HSD(ltrs.)		
- For Caustic Soda Lye	5.69	4.54

Considering the costing methodology adopted by the Company, the per-unit energy consumption for by-products is integrated with the figures for Caustic Soda Lye and cannot be separately determined. (*This does not include 663024 units capitalized and recovered from employees / contracts.)

C. Technology Absorption

i) Major efforts made towards Technology adoption and Benefits

- Exploring the possibility of using wastewater stream from Stable Bleaching Powder Plant (SBP) directly as a input Raw material at third party, which will result into saving of Energy in complete supply chain.

ii) Information regarding Imported Technology (imported during the last three years reckoned from the beginning of the financial year):

Details of Technology Imported	Technology Imported From	Year of Import	Status
1. Further 80 Elements of Gen- 6 were added in existing 6 no Gen- 6 Electrolysers @13 elements each.	German technology through their Indian subsidiary– M/s Thyssenkrupp Industrial Solutions Pvt. Ltd	2022-2023	Completed.
2. Remembraning of 3 Electrolysers in phase manner.	--do--	2022-2023	Completed.
3. Remembraning of A, C, D & F electrolysers.	--do--	2023-2024	Completed.
4. Addition of new Electrolyser - G of Gen-	--do--	2023-2024	Completed.
5. Brine Acidification of all Existing 07 no of Electrolysers.	--do--	2023-2024	Completed.

iii) Research and Development

The Research & Development effort of the Company directed towards energy conservation and pollution control is continued.

During the financial year 2024-25, the company has successfully reduced the Specific Energy Consumption (SEC) from 0.2762 to 0.2414 in FY 2024-25, resulting in substantial energy saving equivalent to approximately 3,541 tonnes of Oil Equivalent. Additionally, Wastewater/ effluent generation has been reduced by 5% through recycling & reuse of the wastewater generated.

Expenses incurred on R & D are booked under respective general accounting heads and no amounts can therefore be quantified separately under the head of R & D expenses.

C. Foreign Exchange Earnings and Outgo –

Particulars	(Amount in lacs)	
	2024-25	2023-24
Earning	-	-
Outgo	1601.52	2565.59
Total	1601.52	2565.59

For and on behalf of the Board
Sd/-

(SUKHBIR SINGH DAHIYA)

Chairman

DIN: 00169921

Place: Chandigarh

Date: 14th August, 2025

ANNEXURE – III TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2024-25.

1. Brief outline of CSR Policy:

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors on the recommendation of the CSR Committee laid down a CSR Policy. The Policy lays down the manner in which CSR Activities covered under Schedule VII of the Companies Act, 2013 will be taken up and implemented by the Company. A copy of the Policy is available on Company's website.

2. Composition of CSR Committee & Meetings:

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Kuldeep Singh Suhag	Chairman/ Non-Executive & Independent Director	2	2
2	Shri Ashok Goyal	Member / Non-Executive & Independent Director	2	2
3	Shri Tilak Raj Bajalia	Member / Non-Executive & Independent Director	2	2
4	Shri Jagbir Singh Ahlawat	Member/ Non-Executive & Non- Independent Director	2	2

3. Web-link for CSR committee & CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company <https://www.primochemicals.in/page/csr>

4. Executivesummaryalongwithweb-link(s)ofImpactassessmentof CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

N.A.

5. a) Average net profit of the Company as per Section 135(5):

N.A.

b) Two percent of the average of profit as per Section 135 (5)

N.A.

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

NIL

d) Amount required to be set off for the financial year

NIL

d) Total CSR obligation for the financial year (5b+5c – 5d)

NIL

6. a) CSR amount spent (voluntarily) on CSR Projects (both Ongoing Projects and other than Ongoing Project):

₹34.41 lacs

b) Amount spent in Administrative Overheads:

NIL

c) Amount spent on Impact Assessment, if applicable

NIL

d) Total amount spent (voluntarily) for the Financial Year (6a+6b+6c) (in lacs)

₹34.41 lacs

e) CSR amount spent or unspent for the Financial year:

(In lacs)

Total Amount Spent during the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer.
₹34.41			NIL		

f). Excess amount for set off, if any:

(In lacs)

S. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the company as per sub-section (5) of Section 135	N.A.
ii.	Total amount spent for the financial year	34.41
iii.	Excess amount spent for the financial year [(ii)-(i)]	34.41
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	34.41

7. Details of unspent CSR amount for the preceding three financial year(s):

S. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135	Balance amount in unspent CSR account under subsection (6) of Section 135 (1)	Amount spent in the financial year	Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	Amount remaining to be spent in succeeding financial years	Deficiency
				N.A			

8. Whether any capital assets have been created or acquired through Corporate \ No Social Responsibility amount spent in the Financial Year
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5)

Place: Chandigarh
Date: 14th August, 2025

Sd/-
Naveen Chopra
Managing Director
DIN: 08465391

Sd/-
Kuldip Singh Suhag
Chairman
DIN: 08925842

ANNEXURE- V TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FOR THE FINANCIAL YEAR 2024-25

Global Economy

In 2024, the global economy faced a “sticky spot”—growth remained resilient despite challenges but hadn’t returned to pre-pandemic levels. The IMF estimates around 3.3% global GDP growth, with advanced economies growing 1.8% and emerging markets and developing economies expanding by 4.3%. The year was marked by complex economic shifts, with subtle recalibrations of global forces rather than dramatic changes. Despite some growth, underlying issues such as geopolitical fragmentation, technological change, and environmental pressures continued to reshape the global economy.

Trade restrictions and tariffs, particularly between the U.S. and China, serve as destabilising forces. These measures diminish cross-border investments and raise supply costs. According to the World Bank, 2024 is expected to be one of the weakest five-year periods since the 1960s, and the IMF forecasts that growth could decline to 2.8% in 2025 if no reforms or policy adjustments are made.

Additionally, the high-interest-rate environment due to elevated post-pandemic inflation has led to tighter credit, higher borrowing costs, and increased debt burdens, especially in lower-income economies.

Global inflation is expected to decline from 6.8% in 2023 to 5.9% in 2024, then to 4.5% in 2025, but core inflation remains sticky. Central banks stay hawkish with high policy rates as inflation expectations stay above target.

The most defining yet underappreciated 2024 economic trend was the acceleration of geopolitical fragmentation, actively reshaping global trade and investment. New trade-restrictive measures surged, especially among advanced economies, far exceeding the 2010–2019 average.

Looking ahead to 2025, geopolitical fragmentation is likely to stay a key theme. Global growth may decline, and central banks might continue easing policies, but trade tensions and protectionism remain risks. These measures suggest global trade growth will stay below pre-pandemic levels, requiring vigilance and adaptive strategies in international commerce. (Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>)

Indian Economy

India's economic trajectory in FY2024–25 highlights a resilient growth story that defies global headwinds. With a GDP growth of 7.4% in Q4 FY2023-24 and an estimated 6.5% for the full year FY2024–25, India remains the world's fastest-growing major economy, per the NSO. This is driven by structural reforms, manufacturing resurgence and government-led capital expenditure. Also, private consumption rebounded, particularly in urban sectors, while rural demand showed signs of stabilisation, aided by improved agricultural output and targeted fiscal support.

In FY2024-25, inflation experienced a notable slowdown. Retail CPI dropped to a five-year low of 3.2% in April 2025, and the full-year headline inflation is projected to average 4.6%. This trend enabled the RBI to cut the repo rate three times from December 2024 to June 2025.

India's industrial activity, represented by the Index of Industrial Production (IIP), grew by 4%, with manufacturing up 4.1%. PLI schemes in phases two and three boosted private investment in electronics, semiconductors, and green energy.

The formalisation of the economy deepened further, with GST collections averaging ₹1.84 Lakh Crore per month in FY2024-25, reflecting buoyant consumption and improved compliance. The gross collection doubled in five years to reach an all-time high of ₹22.08 Lakh Crore in the 2024-25 fiscal year, from ₹11.37 Lakh Crore in FY2020-21. Digital public infrastructure, such as UPI, ONDC, and Aadhaar-stack-based governance, continued to lower transaction costs, enhance transparency, and create fertile ground for entrepreneurial growth.

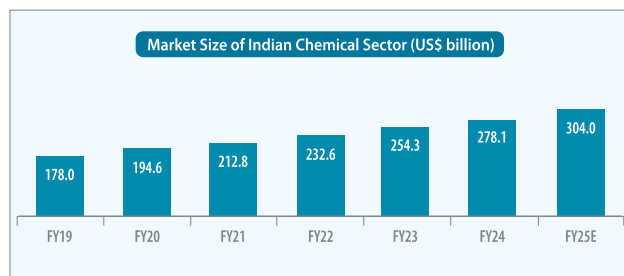
India enters FY2025-26 on a solid footing, with GDP growth forecasted to remain stable, according to S&P Global Ratings, underpinned by domestic consumption, improving private capital expenditure and favourable monsoon prospects. However, vigilance is warranted in light of potential global commodity volatility, evolving geopolitical dynamics and the need for sustained job creation in the informal sector. India's economic narrative remains one of cautious optimism, high resilience and transformational potential.

Indian Chemical Industry

FY2024-25 marks a pivotal juncture for the Indian chemical industry, a sector undergoing a fascinating metamorphosis. While global headwinds and pricing pressures have presented a nuanced landscape, India's inherent strengths, robust domestic demand, a strategic "China+1" advantage, and a burgeoning focus on sustainability and innovation are recalibrating its trajectory from a traditional commodity player to a high-value, globally integrated chemical powerhouse. This year has been characterised by strategic recalibrations, a push for deeper backwards integration and a clear vision towards a greener, more self-reliant future.

The growth of the Indian chemical industry is underpinned by India's position as the world's fourth largest and Asia's third-largest chemical producer.

The growth is also driven by increased demand across end-use sectors, including automotive, construction, electronics, FMCG, pharmaceuticals and agriculture. The chemical sector now contributes more than 7% to India's GDP and accounts for nearly 13% of total merchandise exports.



FY2024-25 marked a strategic shift from commodity-led growth to value-added, niche-focused expansion. Speciality chemicals, which now account for nearly 47% of India's chemical output, continued their strong growth trajectory, driven by increasing applications in personal care, electronics, water treatment and agrochemicals.

Policy interventions in FY2024-25 were pivotal in reinforcing sectoral growth. The Union Budget 2025 allocated ₹20,000 Crore for an Innovation Fund aimed at promoting green chemistry, advanced intermediates, and R&D infrastructure. Simplification of customs duties on raw materials, along with fast-tracked clearances under the Ease of Doing Business framework, provided further tailwinds. In addition, the announcement of ₹87 billion in upcoming petrochemical investments, mostly in western India, sets the stage for India to become a regional hub for base chemicals and polymers.

Despite robust fundamentals, the sector faced some headwinds. Global oversupply, particularly from the Middle East and China, placed downward pressure on the prices of commoditised chemicals. Domestic producers also faced challenges from input cost inflation, energy volatility and logistics bottlenecks. However, the industry showcased resilience by investing in cost optimisation, sustainability-led processes and digital transformation. As a result, while EBITDA margins moderated to ~13% from pandemic-era highs of ~17%, overall investor confidence remained intact with the sector delivering a 10–12% Total Shareholder Return (TSR) over the past five years.

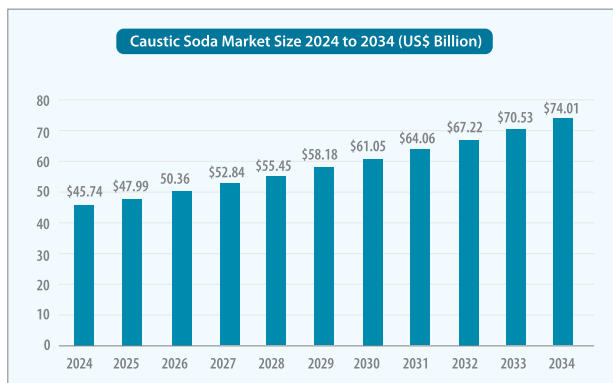
Outlook

Looking ahead, the outlook remains optimistic. India's chemical demand is projected to triple by 2040, driven by strong momentum in speciality chemicals, green solvents and performance materials. Sustainability is poised to become a defining pillar, with an increasing number of companies adopting circular practices, electrified processes and transparent emissions reporting. As the world reconfigures its chemical supply chains, India stands at the cusp of a transformation from being a volume player to becoming a value-driven global chemical powerhouse.

Global Caustic Soda Industry

The global Caustic Soda market is poised for substantial growth, with its valuation projected to increase from USD 45.74 billion in 2024 to an estimated USD 74.01 billion by 2034. This growth translates to a Compound Annual Growth Rate (CAGR) of 4.93% over the forecast period of 2025 to 2034.

This upward trend is primarily driven by the rising demand for Caustic Soda across various industries. Key applications fuelling this growth include its extensive use in aluminium production, water treatment processes and the broader chemical manufacturing sector.



(Source: <https://www.precedenceresearch.com/caustic-soda-market>)

Indian Caustic Soda Industry

The Indian chlor-alkali market in 2025 is expected to experience continued growth, driven by increasing demand from various industries, including pulp & paper, textiles, aluminum, chemicals, and water treatment, as well as the expanding construction sector and government initiatives supporting industrial expansion. Caustic Soda, also known as Sodium Hydroxide, is a crucial raw material used in various manufacturing processes. However, companies will need to navigate challenges related to energy costs, raw material availability, and environmental regulations to ensure sustainable growth.

The Indian Caustic Soda market reached a size of 2.7 million tons in 2024 and is projected to expand to 4.0 million tons by 2033, registering a Compound Annual Growth Rate (CAGR) of 4.32%, according to data from the IMARC Group. This growth trajectory reflects the increasing importance of Caustic Soda across a broad spectrum of industrial applications.

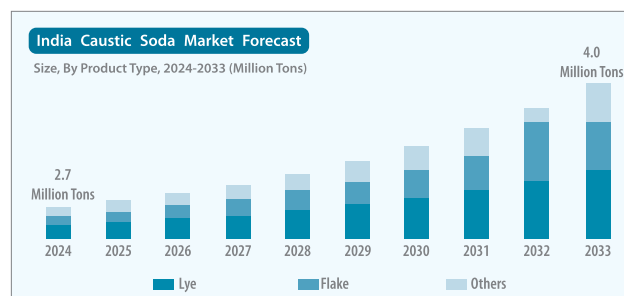
One of the key drivers of market growth is the expanding pulp and paper industry, which depends heavily on Caustic Soda for bleaching and delignification processes. Similarly, the textile sector utilises Caustic Soda in crucial stages, such as mercerisation, which enhances fabric properties, including dye absorption and tensile strength. The aluminium industry another major consumer, as Caustic Soda is used in the extraction of alumina from bauxite ore - a process essential to aluminium production.

Additionally, the growth of the chemical industry contributes significantly to the demand for Caustic Soda, as it serves as both a reactant and a pH stabiliser in numerous chemical reactions. Furthermore, the construction industry's ongoing expansion indirectly boosts demand, as Caustic Soda is used in the production of construction materials such as PVC and epoxy resins besides the pharmaceutical sector further enhances the market's potential by utilising Caustic Soda in the synthesis of Active Pharmaceutical Ingredients (APIs) and various drug formulations.

Opportunities

- **Strong Demand:** The market is fueled by rising demand for chlorine and caustic soda from diverse industries viz. expansion of aluminium industry, especially for EVs, renewables and infrastructure, and up-gradation of textile processing units and rising demand for eco-friendly cleaning agents.

- **Construction Boom:** Increased infrastructure projects and construction activities are boosting the demand for PVC, a key product derived from chlorine in the chlor-alkali process.
- **Urbanisation and Industrialisation:** Increased urbanisation and industrialisation are leading to greater demand for various chlor-alkali products, including those used in water treatment and other industrial applications.
- **Water Treatment Demand:** The growing water treatment industry, especially for wastewater and drinking water, is increasing the demand for sodium hypochlorite, a product of chlor-alkali process.
- **Emerging hydrogen and green energy sectors:** Potential application in electrochemical and sustainable hydrogen production processes.
- **Government Support:** Favourable government initiatives, incentives and policies promoting industrial growth and energy efficiency, import substitution policies are expected to positively impact the domestic capacity expansion and the chlor-alkali market.
- **Technological Advancements:** The Technological upgrades by Innovation in membrane cell technology in chlor-alkali plants offer improved efficiency, lower costs and reduced environmental footprint.



(Source: <https://www.imarcgroup.com/india-caustic-soda-market>)

Company Overview

Primo Chemicals is one of the prominent Indian manufacturers of essential industrial chemicals. Since beginning commercial production in January 1984, they have become a leading producer of Caustic Soda, with a daily capacity of approximately 500 tonnes. Caustic Soda is a crucial chemical used in industries such as paper, soap and aluminium production.

Beyond Caustic Soda, Primo Chemicals offers a diverse range of products, including Hydrochloric Acid, Liquid Chlorine, Hydrogen Gas, Aluminium Chloride, Stable Bleaching Powder and Caustic Soda Flakes. This broad portfolio serves various sectors, including water treatment, textiles and aquaculture. The Company is working on its plans to further expand its product offerings by incorporating additional inorganic chemicals into its mix.

Committed to sustainability, Primo Chemicals employs eco-friendly and cost-effective technologies. Their dedication to safety and a highly skilled workforce makes them a dependable supplier for businesses in need of high-quality industrial chemicals.

Operational Performance

The Company achieved commendable performance during the year, with significant acceleration observed in the last quarter, primarily driven by increased production and improved sales realisation of Caustic Soda Lye and Flakes. However, the overall growth could have been further enhanced but for the subdued operations of the Stable Bleaching Powder and Aluminium Chloride plants, which ran at lower capacities due to weak market demand.

The Directors are of the opinion that the results would have been even more encouraging if not for certain operational and cost-related challenges. These included a marginal rise in raw material prices, higher power consumption per ton of Caustic Soda Lye, increased cost of electricity supplied by the Punjab

State Power Corporation Limited, and suboptimal power generation from the Company's 35 MW Captive Power Plant due to operational issues.

Despite these hurdles, Capacity Utilisation improved to 84%, with Caustic Soda Lye (CSL) production reaching 1,38,068 MT during the year under review—an increase over the 1,18,899 MT produced in the previous year at 77% utilisation. Additionally, the combined average sales realisation (net of GST) increased from ₹33,959 per ECU in the Financial Year ended 31st March, 2024 to ₹38,423 per ECU for the Financial Year ended 31st March, 2025.

Financial Performance

During the financial year ended 31st March 2025, the Company delivered a notable performance, with Net Sales Turnover increasing by 34.44% to ₹533.58 Crores, compared to ₹396.87 Crores in the previous year. This strong topline growth reflects improved market demand and strategic execution across key business segments.

Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) stood at ₹89.23 Crores, registering an impressive 238.76% growth over ₹26.34 Crores in the preceding financial year—underscoring enhanced operational efficiency and cost optimization efforts.

The Company achieved a turnaround in profitability, recording a Net Profit Before Tax of ₹15.12 Crores, a significant improvement from the Net Loss Before Tax of ₹31.43 Crores in the previous year.

Ratios	March 31, 2025	March 31, 2024	Remarks
Debtors Turnover	26	40	Trade Receivable Turnover Ratio has improved due to increased collections from customers.
Inventory Turnover (Days)	18	19	-
Interest Coverage Ratio	1.66	-0.73	Due to increase in EBITDA
Current Ratio	0.69	0.61	-
Debt Equity Ratio	0.28	0.35	-
Operating Profit Margin (%)	6.61	-3.17%	It has been increased on account of increase in profitability during the year ended 31.03.2025.
Net Profit Margin (%)	0.42	-6.51%	
Return on Net Worth (%)	0.68	-7.61%	

Internal Control Systems & Adequacy

Primo Chemicals maintains strong internal control systems, perfectly sized for its operations and continuously strengthened by independent internal audits. Audit findings undergo rigorous review by both management and the Board of Directors' Audit Committee. Additionally, statutory auditors independently verify the adequacy and effectiveness of these controls. This thorough, multi-layered approach guarantees that internal controls meet the highest industry standards, significantly enhancing

the Company's ability to manage risks, safeguard assets and uphold the integrity of its financial reporting.

Human Resources

The Company's human capital remains the cornerstone of its success and a key differentiator in a competitive landscape. In the past year, its Human Resources initiatives have focused on cultivating a high-performance culture, attracting top talent, and fostering continuous learning and development. The Company has invested significantly in upskilling its workforce to meet evolving industry demands and technological advancements, ensuring its employees possess the expertise necessary for future growth.

Employee engagement and well-being have been paramount, with programs designed to enhance workplace satisfaction, promote diversity and inclusion and maintain a safe and supportive environment. This strategic approach to human resources not only strengthens the Company's operational capabilities but also empowers its dedicated team to drive innovation, uphold its commitment to quality and contribute directly to the Company's sustainable growth and long-term objectives. As of 31st March, 2025, Primo Chemicals Limited employed over 350 permanent staff members, in addition to more than 350 temporary personnel — all of whom are integral to the organisation's achievements and operational success.

Opportunities

The Indian chemical industry is undergoing a structural transformation, offering several tailwinds for Primo Chemicals Limited. With increasing global demand for cost-effective chemical manufacturing, India is emerging as a key player in the global supply chain. The "China Plus One" strategy adopted by many global companies is driving greater sourcing from Indian producers, especially in the commodity and intermediate chemical segments. This shift presents Primo with the opportunity to expand its exports and enhance capacity utilisation in core products, such as Caustic Soda and chlorine derivatives.

Domestically, the rising consumption of chemicals like Caustic and Chlorine across industries such as aluminium, pulp & paper, textiles, pharmaceuticals, construction & infrastructure and water treatment is fuelling consistent demand for Caustic Soda and its downstream derivatives. As a leading regional producer, Primo is well positioned, particularly in Northern India where it enjoys a logistical and market advantage. Furthermore, the

growing focus on water treatment, hygiene and industrial cleaning- especially post-COVID - has expanded the scope for products like Stable Bleaching Powder, which the Company has recently added to its product mix.

Another notable industry trend is the growing emphasis on self-reliance in pharmaceuticals and speciality chemicals. The Indian government's Production Linked Incentive (PLI) schemes and policy incentives for domestic chemical manufacturing are aligned with Primo's backwards integration plans.

Threats, Risks & Concerns

Despite the growth prospects, the Indian chemical industry faces several structural and cyclical risks that could impact Primo Chemicals. One of the key concerns is the volatility in raw material prices, especially industrial salt and imported chemicals. Given that India still relies on imports for several inputs, any geopolitical disruption, currency fluctuation, or trade policy shift can lead to supply bottlenecks and cost inflation, directly affecting Primo's margins and pricing power.

Another industry-wide threat is the growing regulatory and environmental compliance burden. The chemical sector, particularly companies handling hazardous substances such as chlorine and Caustic Soda, faces stringent scrutiny from pollution control boards and regulatory authorities. Any non-compliance, accidental discharge, or safety lapse can result in severe penalties, plant shutdowns, or long-term reputational damage. This is particularly critical for companies like Primo that are expanding their capacities and handling a larger volume of hazardous chemicals.

Competition is intensifying as larger and more integrated chemical companies—both domestic and multinational—continue to invest in scale, automation, and R&D to enhance cost efficiency and drive product innovation. Smaller or regionally focused players may struggle to match this pace, risking margin compression or market share erosion. For Primo, competing on both price and product quality while maintaining cost discipline will be essential, especially in a market where larger peers are aggressively expanding.

Additionally, the sector's cyclical nature makes it vulnerable to demand slowdowns in key user industries. For instance, any prolonged downturn in textiles, paper, or aluminium could significantly impact Caustic Soda off-take. Moreover, overcapacity in the domestic market, a concern periodically seen in commodity chemicals, could lead to price wars and

under-utilisation of new production facilities. These cyclical risks, combined with rising energy costs and capital intensity, demand careful capacity planning and demand forecasting.

Risk Management

Risks are potential threats or adverse events that can lead to damage, loss, or other negative consequences for a business. Effective risk management is crucial, involving the identification, assessment and prioritisation of these risks, followed by the deployment of resources to mitigate, monitor and control their impact.

Primo Chemicals has established a Risk Assessment and Minimisation System to address these challenges. The Company also has a robust mechanism in place to keep the Board informed about its risk assessment and minimisation procedures. Periodic reviews are conducted to ensure risks are continuously identified and controlled within a clearly defined framework.

As part of its comprehensive risk management system, Primo Chemicals employs proactive strategies to manage potential

risks effectively and foster sustainable growth. These strategies include optimising power usage, enhancing safety measures, exploring alternative sourcing options and improving overall operational efficiencies.

Cautionary Statement

The statements in this Management Discussion and Analysis Report regarding the Company's future objectives, projections, estimates, expectations, or predictions may be considered forward-looking under applicable laws and regulations. These statements rely on certain assumptions and expectations about future events. However, actual results could differ significantly from those expressed or implied in these statements. The Company's operations may be influenced by various factors, including economic conditions that affect global and domestic demand, fluctuations in the prices of finished goods, the availability and cost of power and raw materials, regulatory changes, tax policies, economic developments in India, and other factors such as legal disputes and industrial relations. The Company is not obligated to publicly update or revise these forward-looking statements based on subsequent developments, information, or events.

For and on behalf of the Board

Sd/-

(SUKHBIR SINGH DAHIYA)

Chairman

DIN: 00169921

Place: Chandigarh

Date: 14th August, 2025

ANNEXURE – VI TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2024-25

Brief Statement on the Company's philosophy on Code of Governance

The Company's core philosophy on the Code of Corporate Governance is to ensure fair and transparent business practices with accountability for performance. The compliance of applicable statute is of utmost importance to the Company. The transparent and timely disclosure of financial and management information always remains priority for the Company.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) and specified in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time as applicable with regard to Corporate Governance.

Board of Directors

The Board of Directors comprises of 8 Directors, of which Chairperson is a Non-Executive Director. The Company has a Managing Director and an Executive Director and 6 Non-Executive Directors of whom four are Independent Directors.

Skills /expertise competencies of the Board of Directors

The Board of Directors comprises a balanced mix of professionals with diverse and complementary skills, including strong expertise in management, chemical industry knowledge, strategic growth, risk management, governance, finance, and human resources. This broad range of competencies enables the Board to provide effective leadership and strategic guidance, supporting the Company's sustainable growth and operational excellence.

Name of Director	Core Skills/ Expertise/ Competencies
Shri Sukhbir Singh Dahiya	Management and Leadership, Chemical Industry/ Products Expertise, Business Understanding
Shri Naveen Chopra	Management and Leadership, Strategic Planning and Growth, Risk Management, Execution and Marketing, Chemical Industry/ Products Expertise.
Shri Jatin Dahiya	Management and Leadership, Risk Management, Production Management, Cost Reduction Chemical Industry/ Products Expertise, Business Understanding.
Shri Jagbir Singh Ahlawat	Management and Leadership, Strategy and Growth, Chemical Industry/ Products Expertise.
Shri Tilak Raj Bajalia	Strategy and Growth, Risk Management, Governance, Financial Expertise.
Shri Ashok Goyal	Financial Expertise, General Administration, Governance, Human Resources, Education, Academics, Legal.
Shri Kuldip Singh Suhag	Strategy and Growth, Risk Management, Governance.
Ms. Teesta Sandhu	Risk Management, Governance, Human Resources.

The composition of the Board as on 31st March 2025 is given below:

Category of Directorship	
Non-Executive-Independent Director	4
Non-Executive-Non-Independent Director	2
Executive Director	2
Total Strength	8

The names and categories of the Directors on the Board, their attendance at the Board Meetings during the financial year and at the last Annual General Meeting, Inter-se relationship between the Directors, as also the number of Directorships held by them in other Companies and memberships of the Committees of the Board of the Companies in which they are Directors are given below:-

Name	Date of Appointment	Date of Cessation	Category	Inter-se Relationship amongst Directors	Attendance at Board Meetings during 2024-25 (01.04.2024 to 31.03.2025)	Attendance at last AGM on 27.09.2024	No. of Directorships in other Companies*		Memberships of the Committees of the Board of all the Companies**		No. of Directorships in other Listed Companies/ Category***
							Chairperson	Director	Chairperson	Member	
Shri Sukhbir Singh Dahiya, Chairman	20.10.2020	-	Promoter NE& NI	Father of Shri Jatin Dahiya	5	Yes	-	1	1	-	-
Shri Naveen Chopra,		-	E & NI	-	5	Yes	-	-	-	2	-
- As Whole Time Director	28.05.2019										
- As Managing Director	29.10.2020										
- Re-appointment as Managing Director	29.10.2023										
Shri Jatin Dahiya		-	Promoter E& NI	Son of Shri Sukhbir Singh Dahiya	5	Yes	-	1	-	-	-
- As Director	20.10.2020										
- As Executive Director	01.04.2021										
- Re-appointment as Executive Director	01.04.2024										
Shri Jagbir Singh Ahlawat	20.10.2020	-	Promoter NE& NI	-	5	No	-	1	-	-	-
Shri Tilak Raj Bajalia	26.10.2020	-	NE&I	-	5	Yes	-	1 [#]	1	1 [#]	-
Shri Ashok Goyal	26.10.2020	-	NE&I	-	5	Yes	-	1	1	2	1
Shri Kuldeep Singh Suhag	26.10.2020	-	NE&I	-	5	Yes	-	-	-	1	-
Miss Teesta Sandhu	02.12.2021	-	NE&I	-	5	Yes	-	-	-	-	-

* The Directorships held by the Directors as mentioned above do not include Directorships of Private Limited Companies.

** Includes only Audit Committee and Stakeholders Relationship Committee.

*** Mr. Ashok Goyal is also the Independent Director in another listed entity i.e. JTL Industries Limited.

Shri Tilak Raj Bajalia ceased to be Director and member of Audit Committee w.e.f. 31st March, 2025 in Capri Global Housing Finance Limited.

NE&NI - Non-Executive Non- Independent Director

NE&I - Non-Executive Independent Director

E&NI - Executive Non-Independent Director

Five Board Meetings were held during the financial year 2024-25 as against the minimum requirement of four meetings in a year. The dates on which the Board Meetings were held are given below:

30th May, 2024, 12th August, 2024, 21st October, 2024, 12th November, 2024 and 14th February, 2025.

One separate meeting of the Independent Directors was held on 12th August, 2024. The Independent Directors reviewed the

performance of Non-Independent Directors, Board as a whole and Chairperson of the Company. The Independent Directors have also reviewed the quality, content and timeliness of flow of information between the Management and the Board.

Nomination & Remuneration Committee has devised the criteria for evaluation of the performance of the Directors (including Independent Directors). The same is placed on the Company's website at <https://www.primochemicals.in/page/investors>.

Pursuant to the provisions of the Act and Listing Regulations, the Board carried out the Annual Performance Evaluation of its Directors including Independent Directors, Board as well as the working of its committees.

The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the financial year 2024-25 other than receiving Sitting Fees and/or reimbursement of expenses, if any, incurred for attending the meetings of the Company.

The Board of Directors of the Company in its meeting held on 13th February, 2018 had approved a Code of Conduct for Directors and Senior Management Personnel of the Company with effect from 13th February, 2018. The same has also been revised by the Board of Directors in its meeting held on 30th May, 2025 and placed on the Company's website at <https://www.primochemicals.in/page/investors>. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Directors and Senior Management Personnel during the financial year 2024-25 and the Chief Executive Officer's Declaration to this effect is annexed herewith.

The details of Familiarization programme for the Independent Directors are available on the website of the Company <https://www.primochemicals.in/page/investors>.

Based on the declaration received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and they are independent of the Management.

The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10 (j) of Schedule V of the SEBI Listing Regulations.

Audit Committee

The Company constituted an Audit Committee of the Board of Directors in the year 1986.

The terms of reference and role of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity with and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The names and categories of the Chairman and Members of the Audit Committee and their attendance at the Audit Committee meetings during the financial year under review are given below:-

Name	Designation	Date of Appointment as Member	Date of Cessation as Member	Category	Attendance during 2024-25 (01.04.2024 to 31.03.2025)
Shri Tilak Raj Bajalia	Chairman	26.10.2020	-	NE&I	4
Shri Ashok Goyal	Member	26.10.2020	-	NE&I	4
Shri Kuldip Singh Suhag	Member	26.10.2020	-	NE&I	4
Shri Naveen Chopra	Member	26.10.2020	-	E&NI	4

NE&I - Non-Executive Independent Director E&NI - Executive Non - Independent Director

In addition to the Members of the Audit Committee, the Chief Financial Officer, Internal Auditors and the Statutory Auditors attended the meetings of the Committee as invitees. The Company Secretary of the Company acts as Secretary of the Committee. Members held discussions with Statutory Auditors during the meetings of the Committee. The Audit Committee reviewed the quarterly, half yearly and year to date un-audited and annual audited financial of the Company before submission to the Board of Directors for its consideration and approval. The Committee also reviewed the internal audit reports.

Four meetings of the Audit Committee were held during the financial year 2024-25.

The dates on which the meetings of the Audit Committee were held are given below:

30th May, 2024, 12th August, 2024, 12th November, 2024 and 14th February, 2025.

Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee of the Board of Directors of the Company in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

The name and categories of the Chairman and Members of the Nomination and Remuneration Committee and their attendance at the meetings during the financial year under review are given below:

Name	Designation	Category	Attendance during 2024-25 (01.04.2024 to 31.03.2025)
Shri Ashok Goyal	Chairman	NE&I	2
Shri Tilak Raj Bajalia	Member	NE&I	2
Shri Kuldip Singh Suhag	Member	NE&I	2
Shri Sukhbir Singh Dahiya	Member	NE&NI	2

Two meetings of the said Committee were held on 30th May, 2024 and 12th August, 2024 during the financial year 2024-25.

The remuneration of the Managing Director(s) and Executive Director (s) is also approved by the Board of Directors subject to the requisite approvals under the provisions of the Companies Act, 2013.

The Non-Executive Directors are entitled to Sitting Fee decided by the Board of Directors in accordance with the provisions of the Articles of Association of the Company. The Sitting Fee was revised with effect from 26th May, 2023 to ₹1,00,000/- per meeting of the Board of Directors and meeting of the Audit Committee of the Board of Directors attended and ₹75,000/- per meeting of the other Committees of the Board of Directors.

Details of the remuneration paid to the Directors in the financial year 2024-25 are as under:

(₹ in lacs)

Name of Directors	Category	Salary	Sitting Fees*
Shri Naveen Chopra	E&NI	650.63	-
Shri Jatin Dahiya	E&NI	330.06	-
Shri Sukhbir Singh Dahiya	NE&NI	-	15.50
Shri Jagbir Singh Ahlawat	NE&NI	-	6.50
Shri Tilak Raj Bajalia	NE&I	-	12.75
Shri Kuldip Singh Suhag	NE&I	-	12.75
Shri Ashok Goyal	NE&I	-	21.75
Ms. Teesta Sandhu	NE&I	-	7.25

* The sitting fees shown above are gross payment. Out of which, TDS @ 10% was deducted.

The details of the number of Equity Shares held by Directors of the Company as on 31st March, 2025 are as follows:-

Name of Directors	No. of Equity Shares
Shri Sukhbir Singh Dahiya	25278015
Shri Naveen Chopra	42500000
Shri Jagbir Singh Ahlawat	15500100
Shri Jatin Dahiya	5482535
Shri Ashok Goyal	Nil
Shri Tilak Raj Bajalia	Nil
Shri Kuldip Singh Suhag	65733
Ms. Teesta Sandhu	34870

Stakeholders Relationship cum Share Transfer Committee

The Company is having Stakeholders Relationship cum Share Transfer Committee of the Board of Directors of the Company constituted with the terms of reference as provided in Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 20 and Part D of the Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as (including any statutory or other modification(s) or re-enactment thereof, for the time being in force) and to approve the transfer and transmission of shares, sub-division and consolidation of Share certificates, issue of duplicate share certificates and dematerialisation and re-materialisation of shares, etc.

The names and categories of the Chairman and Members of the said Stakeholders Relationship cum Share Transfer Committee and their attendance at the said Committee meetings during the financial year under review are given below:-

Name	Designation	Category	Attendance during 2024-25 (01.04.2024 to 31.03.2025)
Shri Sukhbir Singh Dahiya	Chairman	NE&NI	13
Shri Naveen Chopra	Member	E&NI	13
Shri Ashok Goyal	Member	NE&I	13

CS Sugandha Kukreja, Company Secretary is the Compliance Officer.

Thirteen meetings of the said Committee were held during the financial year 2024-25

During the financial year under review, the total two (2) complaint were received and resolved to the satisfaction of shareholders. Outstanding complaints/queries as on 31st March, 2025 were Nil. Complaints/correspondence are usually dealt with within 10-12 days of receipt.

Corporate Social Responsibility Committee.

The Company has constituted Corporate Social Responsibility Committee in line with the provisions of Section 135 of the Companies Act, 2013 to (a) Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act, (b) Recommend the amount of expenditure to be incurred in the activities mentioned in the CSR policy and (c) Monitor the CSR Policy.

During the financial year 2024-25, Two meetings of the Corporate Social Responsibility Committee were held on 30th May, 2024 and 14th February, 2025.

The name and categories of the Chairman and Members of the Corporate Social Responsibility Committee and their attendance at the meeting during the financial year 2024-25 under review are given below:

Name	Designation	Category	Attendance during 2024-25 (01.04.2024 to 31.03.2025)
Shri Kuldip Singh Suhag	Chairman	NE&I	2
Shri Ashok Goyal	Member	NE&I	2
Shri Tilak Raj Bajalia	Member	NE&I	2
Shri Jagbir Singh Ahlawat	Member	NE&NI	2

Risk Management Committee

Since the Company was under top 1,000 listed Companies based on the Market Capitalization, as on dated 31st March, 2022, the Board of Directors in its meeting held on 5th May, 2022 constituted Risk Management Committee in line with the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to perform such other Role and Responsibilities as per Part D of Schedule-III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The name and categories of the Chairman and Members of the Risk Management Committee are given below:

Name	Designation	Category	Attendance during 2024-25 (01.04.2024 to 31.03.2025)
Shri Naveen Chopra	Chairman	E&NI	2
Shri Jatin Dahiya	Member	E&NI	2
Ms. Teesta Sandhu	Member	NE&I	2

Two meetings of the said Committee were held on 12th August, 2024 and 5th March, 2025 during the financial year 2024-25.

General Body Meetings

a) The particulars of the last three Annual General Meetings (AGMs) of the Company are:

S. No.	AGM Particulars	Venue	Date	Details of Special Resolutions passed
1.	47 th AGM in respect of the financial year 2021-22	Punjab Alkalies & Chemicals Limited Registered Office at SCO 125-127 Sector 17-B Chandigarh. (Through Video Conferencing)	15 th September, 2022 at 12.30 hours	i According of approval for Revision in terms of remuneration payable to Shri Naveen Chopra, (DIN: 08465391) Managing Director with effect from 1 st April, 2022. ii According of approval for Revision in terms of remuneration payable to Shri Jatin Dahiya, (DIN: 08106876) Executive Director with effect from 1 st April, 2022.

S. No.	AGM Particulars	Venue	Date	Details of Special Resolutions passed
2.	48 th AGM in respect of the financial year 2022-23	Primo Chemicals Limited (Formerly known as Punjab Alkaies & Chemicals Limited) Corporate Office at Bay No. 46-50, Sector 31-A Chandigarh. (Through Video Conferencing)	29 th September, 2023 at 12.30 hours	i. According of approval for variation in terms of remuneration payable to Shri Naveen Chopra, Managing Director with effect from 1 st April, 2023. ii. According of approval for variation in terms of remuneration payable to Shri Jatin Dahiya, Executive Director with effect from 1 st April, 2023. iii. According of approval for re-appointment of Shri Naveen Chopra as Managing Director of the Company for further period of 5 years with effect from 29 th October, 2023. iv. According of approval for re-appointment of Shri Jatin Dahiya as Executive Director of the Company for further period of 5 years with effect from 1 st April, 2024. v. According of approval for adoption of new set of Articles of Association in accordance with the provisions of Companies Act, 2013. vi. According of approval for adoption of new set of Memorandum of Association in accordance with the provisions of Companies Act, 2013. vii. According of approval to acquire balance stake of 51% in Flow Tech Chemicals Private Limited by 31 st December, 2024 in a phased manner. viii. According of approval for providing Corporate Guarantee to HDFC Bank Limited, as security for credit facilities of ₹62.03 Crores sanctioned by HDFC Bank Limited to Flow Tech Chemicals Private Limited, Associate Company. ix. According of approval of the Company to the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 and other applicable Rules to borrow money(ies) to the extent of ₹1000 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. x. According of approval of the Company to the Board of Directors of the Company, to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate which, shall not exceed a sum of ₹1000 Crores (Rupees One Thousand Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

S. No.	AGM Particulars	Venue	Date	Details of Special Resolutions passed
3.	49 th AGM in respect of the financial year 2023-24	Primo Chemicals Limited (Formerly known as Punjab Alkaies & Chemicals Limited) Corporate Office at Bay No. 46-50, Sector 31-A Chandigarh. (Through Video Conferencing)	27 th September, 2024 at 12.30 hours	No Special Resolutions were passed in 49 th AGM.

b) Extraordinary General Meetings:

No Extraordinary General Meetings of Members were convened during the financial year.

- c) (i) All the Resolutions including the Special Resolutions were passed through e-voting and venue voting conducted at Annual General Meeting in compliance with the provisions of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014.
- (ii) Details of resolutions passed through Postal Ballot:
During the financial year, No Resolution was passed by the Company through Postal Ballot.

No Special Resolution is proposed to be conducted through Postal Ballot Process at the ensuing Annual General Meeting. However, remote e-voting facility and e-voting facility during the AGM shall be provided to the members in respect of all the resolutions to be passed at the ensuing AGM.

Disclosures

- a) During the year under review, no material transactions with any related party as defined under the Act and the Listing Regulations have been entered into, which have a potential conflict with the interest of the Company at large. All contracts/ arrangements/ transactions entered into by your Company with its related parties were on an arm's-length basis and in the ordinary course of business. Attention of the members is drawn to Note 40 of the Financial Statements, forming part of this Annual Report, which sets out the related party disclosures. The Policy on Related Party Transactions is available on the website of the Company at <https://www.primochemicals.in/page/investors>.
- b) There has been no non-compliance by the Company or penalties or strictures imposed on the Company by any of the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.
- c) The Company has in place the policy on Vigil Mechanism and Whistle Blower. The same has also been placed on the Company's Website at <https://www.primochemicals.in/page/investors>. During the year under review, no person has been denied access to the Chairman of the Audit Committee.
- d) Certificate from Company Secretary in practice has been obtained stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ MCA or any other statutory authority.
- e) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are given in Note No. 32 to the Financial Statements.

f) Details of Senior Management as on 31st March, 2025 including the Changes therein) during the year as under:

S. No.	Name	Designation
1.	Shri Munish Aggarwal	Sr. Vice President (Operations)
2.	Shri Devinder Singh Saini	GM (Sales)
3.	Shri Ajay Sharma	GM (Works)
4.	Shri Arun Kumar Kaushal (till 30.06.2024)	Chief Financial Officer
5.	CS Sugandha Kukreja	Company Secretary & CHRO
6.	Shri Sunil Parsad (w.e.f. 1.07.2024)	Chief Financial Officer

g) In terms of Regulation 30A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there are no such agreements that are required to be disclosed in the Annual Report.

h) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No. of Complaints filed during the financial year - Nil

No. of Complaints disposed of during the financial year - Nil

No. of Complaints pending during the financial year - Nil

i) Details of Loans and advances in the nature of loans to firms/companies in which directors are interested, forms part of notes to the financial statements.

j) The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all the amendments from time to time.

k) Discretionary Requirements:

The status of discretionary requirements adopted by the Company is as under:

(i) The Company has separate positions for Chairperson and Managing Director. Shri Sukhbir Singh Dahiya is the Chairman of the Company and Shri Naveen Chopra is the Managing Director of the Company.

(ii) The Internal Auditors of the Company gave their quarterly reports to the Audit Committee and the same is taken for review at the time of meetings of the Audit Committee.

(iii) There are no audit qualifications on the Financial Statements of the Company for the financial year ended 31st March 2025.

(iv) Shri Naveen Chopra, Managing Director and Shri Sunil Parsad, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarterly and Annual Financial Statements for the Financial Year ended 31st March, 2025.

Means of communication

The quarterly Financial Results and Annual Financial Results of the Company are being published in the newspapers i.e. Financial Express/Times of India and Amar Ujala and filed electronically on Listing Centre of BSE Limited in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and are also available on the website of the Company www.primochemicals.in All periodical compliances /filings are also filed electronically on Listing Centre of BSE Limited and Neaps Portal of National Stock Exchange of India Limited (from 22nd April, 2025).

The Management Discussion and Analysis Report for the financial year 2024-25 is a part of the Annual Report for the said financial year.

General Shareholders information

- a) Annual General Meeting : The 50th Annual General Meeting will be held on 30th September, 2025 at 14:00 hours through Video Conferencing (VC) or other Audio Visual Means (OAVM), deemed venue at Registered & Corporate Office at Bay No.46-50, Sector 31A, Chandigarh-160030.
- b) Financial Year : 1st April, 2024 to 31st March, 2025
- c) Date of Book Closure : 24th September, 2025 to 30th September, 2025 (both days inclusive)
- d) Dividend Payment Date : N.A.
- e) Listing on Stock Exchanges : 1. BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001
2. National Stock Exchange of India Limited (w.e.f. 22.04.2025)
Exchange plaza, C/1 G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400051
The Equity Shares of the Company are listed on the BSE Limited and listed on National Stock Exchange of India Limited w.e.f. 22nd April, 2025.
The Annual listing fee for the year 2025-26 has been paid to BSE Limited and National Stock Exchange of India Limited.
- f) Registrars and Share Transfer Agents : M/s. Beetal Financial & Computer Services Private Limited
Unit: Primo Chemicals Limited
Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi-110062
Ph.: (011) - 29961281-83
Fax: (011) - 29961284
E-mail ID: beetalrta@gmail.com
Website: www.beetalfinancial.com
- g) Share Transfer System : The Company is having a Stakeholders Relationship cum Share Transfer Committee of the Board of Directors to approve the transfer/ transmission of shares, etc. The share transfers/ transmission received in physical form are processed through R & T Agent, within thirty days from the date of receipt, subject to the documents being valid and complete in all respects.
- h) Dematerialisation of Shares and liquidity : The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for facilitating holding of Company's Shares in Dematerialised Mode. As on 31st March 2025, 234249825 (Constituting 96.66%) were in dematerialized form.
- i) Unclaimed Shares : During the financial year 2024-25, no shares of the Company were required to be transferred to the Demat suspense account.
- j) Outstanding GDRs/ ADRs/ Warrants or Convertible instruments, conversion date and likely impact on equity. : Nil

- k) Commodity price risk or foreign exchange risk and hedging activities : The Company procures raw materials and consumables like salt, aluminium metal, coal etc. and risk related to these commodities prices are managed through negotiation with Suppliers and customers.
- The Company has exposure to foreign exchange risk on account of import of Capital Goods/finished Goods and to the extent of exchange rate fluctuation at the time of payment of purchase applicable in foreign letter of Credit (FLC). The details of foreign currency transactions are given in note no.44 of the standalone financial statements.
- l) Plant Location : Nangal-Una Road,
Naya Nangal,
Distt. Ropar (Punjab)-140 126.
- m) Address for Correspondence : Primo Chemicals Limited,
Bay No. 46-50, Sector 31-A,
Chandigarh-160030
Ph. : (0172) – 2801611
Website : www.primochemicals.in
CIN : L24119CH1975PLC003607
- n) E-mail ID for Investors' Complaints/Queries : secretarial@primochemicals.in

o) Credit Rating

During the year under review, CARE Ratings Limited have revised the credit ratings assigned to the Company's Long Term and Short-Term credit facilities as under:

Facilities	Rating dated 10 th June, 2024	Rating Action
Long Term Bank Facilities	CARE BBB-; Negative	Reaffirmed; Outlook revised from Stable
Long Term/ Short Term bank Facilities	CARE BBB-; Negative / CARE A3	Reaffirmed; Outlook revised from Stable

p) Distribution of Shareholding as on 31st March, 2025:

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 5000	47074	93.393	19901441	8.21
5001 - 10000	1746	3.464	6713808	2.77
10001 - 20000	813	1.613	6222316	2.57
20001 - 30000	245	0.486	3134449	1.29
30001 - 40000	122	0.242	2217852	0.92
40001 - 50000	85	0.169	1938473	0.80
50001 - 100000	136	0.270	4655311	1.92
100001 & above	183	0.363	197559570	81.52
Total	50404	100.00	242343220	100.00

q) Categories of Shareholding as on 31st March, 2025:

Category	No. of Shareholders	No. of Shares Held	% of Shareholding
Promoters	9	75982830	31.35
Indian Public	47863	108388399	44.73
Mutual Funds & UTI	11	4615212	1.90
Banks/Financial Institution	12	47000	0.02
NRI/OCBs/FIIs	691	2868436	1.18
Corporate Bodies	1051	46178401	19.06
Others	767	4262942	1.76
Total	50404	242343220	100.00

For and on behalf of the Board

Sd/-

(SUKHBIR SINGH DAHIYA)

Chairman

DIN: 00169921

Place: Chandigarh

Date: 14th August, 2025

CHIEF EXECUTIVE OFFICER'S DECLARATION REGARDING THE CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL.

The Board of Directors of the Company had approved the Code of Conduct for Directors and Senior Management Personnel of the Company.

All Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2025.

Sd/

(NAVEEN CHOPRA)

Managing Director DIN : 08465391

Place: Chandigarh

Date: 14th August, 2025

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE AS PER REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of Primo Chemicals Ltd (Formerly Known as Punjab Alkalies & Chemicals Limited)

We have examined the compliance of conditions of Corporate Governance by Primo Chemicals Ltd (Formerly Known as Punjab Alkalies & Chemicals Limited), for the financial year ended on 31st March, 2025, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. Tandon & Associates LLP**

Chartered Accountants

(FRN 006388N/N500433)

Sd/-

Name: **Nipun Rastogi**

Partner

M. No. 518893

Date: 10/07/2025

UDIN: **25518893BMKROV4070**

ANNEXURE- VII TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

(as per Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL DISCLOSURES

Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24119CH1975PLC003607
2.	Name of the Listed Entity	Primo Chemicals Limited
3.	Year of incorporation	1975
4.	Registered office address	Bay No 46-50, Sector 31-A, Chandigarh
5.	Corporate address	Bay No 46-50, Sector 31-A, Chandigarh
6.	E-mail	secretarial@primochemicals.in
7.	Telephone	0172-2801649
8.	Website	www.primochemicals.in
9.	Financial year for which reporting is being done	2024-2025
10.	Name of the Stock Exchange(s) where shares are listed	BSE, NSE (listed as on 22.04.2025)
11.	Paid-up Capital	₹48.46 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	CS Sugandha Kukreja secretarial@primochemicals.in 0172-2801611
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

I. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Chemicals	Manufacturing and Selling of Chemicals	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Chemicals	20119	100%

II. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	2	3
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	8 (North India)
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL

c. A brief on types of customers

The Company access to customers in North India such as Soap, Paper, Textile, Refineries and fertilizers. Manufacturing industries in Performance Chemicals including Specialty and other Chemicals and Industrial Chemicals.

III. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	116	108	93.10%	8	6.89%
2.	Other than Permanent (E)	16	16	100%	0	0
3.	Total employees (D + E)	132	124	93.93%	8	6.06%
			WORKERS			
4.	Permanent (F)	249	235	94.37%	14	5.62%
5.	Other than Permanent (G)	371	368	99.19%	3	0.80%
6.	Total workers (F + G)	620	603	97.25%	17	2.74%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)					
2.	Other than Permanent (E)			N.A.		
3.	Total differently abled employees (D + E)					

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)					
5.	Other than permanent (G)			N.A.		
6.	Total differently abled workers (F + G)					

21. Participation/ Inclusion/ Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50
Key Management Personnel (Other than MD & ED)	2	1	50.00

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-2024			FY 2022-2023		
	(Turnover rate in Current FY)			(Turnover rate in Previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.59%	37.5%	18.96%	10.32%	36.36%	12.41%	4.92%	26.09%	6.74%
Permanent Workers	4.68%	21.42%	5.62%	5.58%	12.50%	6.02%	3.17%	0%	2.99%

IV. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding /subsidiary /associate companies /joint ventures**

S. No.	Name of the holding/ subsidiary/associate companies / joint ventures(A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Flow Tech Chemicals Pvt. Ltd.	Associate	49%	No

V. CSR Details**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) No**

- Turnover (in ₹): 555,55,81,389.00
- Net worth (in ₹): 345,60,45,000.00

VI. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-2024 Current Financial year			FY 2023-2024 Previous Financial year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any	NIL	NA	-	NIL	NA	-
Investors (other than shareholders)	Yes, the contact no., address and email id of different locations have been specified on the following link. https://www.primochemicals.in/page/investors	NIL	NA	-	NIL	NA	-
Shareholders	Yes, Shareholder can register their grievances at https://scores.gov.in/scores/Welcome.html and also web links of BSE (http://tiny.cc/m1l2vz) The Company has a grievance redressal mechanism for shareholders. The Company has appointed RTA who also takes care of shareholders' enquiries / queries, requests and complaints. The contact no., address and email id of have been specified on the following link. https://www.primochemicals.in/page/investors	2	NIL	-	NIL	NA	-
Employees and workers	Yes, the Company has in place Whistle Blower mechanism and Prevention of Sexual Harassment Policy specifying the grievance redressal mechanism. https://www.primochemicals.in/page/contact-us .	NIL	NA	-	NIL	NA	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-2024 Current Financial year			FY 2023-2024 Previous Financial year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes, The contact no., address and email id of different locations have been specified on the following link. https://www.primochemicals.in/page/contact-us .	27	NIL		52	NIL	-
Value Chain Partners	The contact no., address and email id of different locations have been specified on the following link. https://www.primochemicals.in/page/contact-us .	NIL	NA		NIL	NA	-
Other (please specify)	-	NIL	NA		NIL	NA	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Interference by Villagers and Other village committee members for employment in the organization.	Risk	Less competent manpower in the organization which can impact safety of operations.	1. Developing good relations & trust with villagers, explaining them about risk involved in hazardous nature of work of company & importance of skilled manpower. 2. Proactive meetings/discussions with authorities to inform them about our compliances.	Negative
2.	Easy availability of desired skilled manpower	Opportunity	High no. of Qualified people in the vicinity of the company.	-	Positive
3.	Water Management	Risk	Water is a critical input in chemical production. Companies with water intensive operations face a greater risk of operational disruption due to water scarcity, which can also increase water procurement prices and capital expenditures. Similarly, chemical manufacturing process generates wastewater that must be treated before disposal. Non compliance with water quality regulations may result in regulatory compliance and mitigation costs.	As a responsible chemical manufacturing organization, we put a premium on the ability to moderate water consumption. We have upgraded our wastewater management by replacing normal wastewater treatment with new age technology. This replacement moderated water and power consumption, helping moderate environment impact and conserve natural resources. The company also invested various water conservation schemes, this water is further used in the cooling tower and for other processes. As a result of the above initiatives, we have been able to reduce raw water consumption by 5% to 6%.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Handling of Hazardous Chemicals	Risk	Chemical company is responsible for managing all risks related to the storage and handling of hazardous chemicals. The improper handling of chemicals and spills can cause harm to the environment or humans and also imposes a heavy fine and reputational risk on the company.	The Company ensures that hazardous materials are handled in a manner that mitigates risks to the environment, employees, and the community. In order to maintain the health & safety at workplace company conducts lot of internal and external health and safety audits. Also, the environmental and social parameters relevant are information is provided with the product. In case of hazardous waste, company ensure the waste is managed as per waste management rules and regulations.	Negative
5.	Waste Management	Risk	Typically, waste is generated as part of a company's operations, captive power plant, maintenance of machinery and office administrative work. Improper waste handling may contribute to air pollution, climate change, and various direct and indirect impacts on the ecosystem. It may also cause health and safety risks to personnel exposed to the waste. Non-compliance with waste management regulations may lead to the imposing of heavy fines.	The company has installed new STP plant to treat domestic effluent. Also the company is in process of opting new ways for treating effluent & waste generation which will reduce the effluent quantity & shall be implemented in current year.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Product Safety & Quality	Risk	Product safety and quality is a critical issue for companies in the Chemicals industry. Chemicals' potential to have negative effects on human health or the environment throughout the usage phase can affect consumer demand for the product and regulatory risk, which can then damage sales and lead to higher operational costs, regulatory compliance costs, and mitigation.	To ensure the safety of the product environmental and social parameters relevant to the product such as Safe and responsible usage, Recycling or safe disposal are attached on product packaging. Also we have quality labs at the plant which help us to maintain the product quality. We invested in a combination of standard operating protocols and certifications (ISO 9001 and ISO 14001), strengthening the company's alignment with Quality Management System, Good manufacturing Practices and Standard Operating Procedures.	Negative
7.	Health & Safety	Risk	In chemical industry, Health & Safety can directly impact people and community and disrupt the operations	Health & Safety Management Plan, Process Safety & Risk Management, Emergency Mitigation System etc. are in place.	Negative
8.	Business Ethics	Risk	This may impact the brand and trust of stakeholders	Monitoring Mechanism to ensure Ethical Conduct are in place.	Negative
9.	Regulatory Issues and Compliance	Risk	Non-compliance may impact the brand image and customer trust and engagement	Adherence to compliance monitoring system	Negative
10.	Energy Efficiency	Opportunity	This may minimise the greenhouse gas (GHG) emissions, improve resource efficiency, cost saving, cleaner environment etc.	Energy saving assessments, key initiatives to optimise energy efficiency.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policy, if available	www.primochemicals.in								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policy extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO:QMS:9001:2015 ISO:EMS:14001:2015 ISO:FSSC:22000:2018 ISO:ENMS:50001:2018 BIS CAUSTIC SODA LICENSE (IS 252:2013) BIS SBP LICENSE (IS 1065:2019)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Commitments and goals wherever required are set by the Company and have been mentioned in the Annual Report wherever applicable. In alignment with vision of the Company, Primo, through its CSR initiatives, shall continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate Citizen with environmental concern; Safety and Environment. The company is also taking proper control measures for health and safety of employees and workers and nearby residents and communities, climate change, pollution management and emission control.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The Company is committed to run its operations in an environment-friendly manner. The Company's endeavor is to take all possible measures towards ensuring safety, pollution control and good housekeeping across all its Plants. The Company gives top priority to ensure clean air and better living environment and to the inhabitants in and around the factory. The Company has in place the Online Monitoring System at Works connected with Central Pollution Control Board server showing Real Time data of all parameters specified by them. It is always top most priority of the Company to follow strong Environmental, Social and Governance (ESG) Principles in its business for building a sustainable business for the future. The Company is also having separate policies for Corporate Social Responsibility, Code of Conduct, Whistle Blower Policy and POSH.								

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Shri Naveen Chopra Managing Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company does not have any specific committee to oversee the implementation of the Policy. The Managing Director of the Company oversees and periodically review the implementation.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action																		
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9

The BR policy is evaluated internally

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

N.A.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and it impacts	% of persons in respective categories covered by the awareness programs
Board of Directors (Incl. MD and ED)	5	During Board/ Committee Meetings, Directors receive regular presentations covering a range of topics essential to the Company's operations. These include the Company's strategy, business operations, SEBI Regulation, Code of Conduct, finance, risk management, quarterly and annual financial results.	100%
Key Management Personnel	7	Prevention of Sexual Harassment (POSH), Training on Time Management, Alkali Industry- Trends, Developments & outlook, Operational Knowledge of IT, Training on GST, Training session on PIT, Heat wave Awareness, Dengue Awareness	75%
Employees other than BOD and KMP	27	Prevention of Sexual Harassment (POSH), Benefits of ESI Schemes, General Awareness on Safety Sensitization and HIV Test Workshop, Motivation, Dengue Awareness, Heat wave Awareness, Training on TDS Provisions and General deductions, Human Values and professional ethics, Training on GST, PIT Training, Leadership Development, Inventory Control & Material Management, Team Work, Training & Awareness Programme on 6.0 Version of FSSC 22000:2018, Electrical Safety & Its Related Hazards, Time Management, Swachta Hi Seva (Swachh Bharat Mission), Perfect Work-Life Balance, First-Aid, Work Permit System, Behavior Based Safety, ERGONOMIC'S and its effects, Cyber Safety & Stress Management, Operational Control Procedure of Boiler & Pumps, Handling of Gas Cylinder for analysis installed in QCD Deptt., Mechanical Maintenance Safety	81.03%
Workers	31	Prevention of Sexual Harassment (POSH), Benefits of ESI Schemes, General Awareness on Safety Sensitization and HIV Test Workshop, Motivation , Awareness Programme on Packing of Finished Product (ALCL3), Handling of Gas Cylinder for analysis installed in QCD Deptt., Operational Control Procedure of Boiler & Pumps, Storing, Dengue Awareness, Heat wave Awareness, Training on GST, Human Values and Professional ethics, PIT Training, Handling, Mounting & Lubrication of Bearing's, Fire Insurance & Loss Minimization, Mechanical Maintenance Safety, Fire Safety, Road Safety, Electrical Safety, Process Safety, Electrical Safety & Its Related Hazards, Time Management, Behavior Based Safety, First-Aid, Swachta Hi Seva (Swachh Bharat Mission), Motivation, Operational Control Procedure of Boiler & Pumps, Training & Awareness Programme on 6.0 Version of FSSC 22000:2018, Inventory Control & Material Management, Team Work	53.81%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	N.A.	0	-	
Settlement	-	N.A.	0	-	
Compounding Fees	-	N.A.	0	-	
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	N.A.	-	-	
Punishment	-	N.A.	-	-	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes

The Company's Code of Conduct highlights its zero-tolerance policy towards corruption, bribery, or giving or receipt of bribes. The Company strives to attain its purpose through compliance legal and ethical requirements, applicable laws, rules and regulations.

Please find the link of the policy at <https://www.primochemicals.in/page/investors>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Case Details	FY 2024-25 Current Financial Year	FY 2023-2024 Previous Financial Year
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-2024	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	NIL	N.A.	NIL	N.A.
Number of Complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	N.A.	NIL	N.A.

7. Provide details of any corrective action taken or underway on issues related to fines /penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
i) Accounts payable x 365 days	172479472500.00	135086114925
ii) Cost of goods/services procured	3553674000.00	2731588014
Number of Days of Accounts payable	49	49

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	29.83%	10.55%
	b) Number of trading houses where purchases are made from	384	411
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	74%	24%
Concentration of Sales	a) Sales to dealers /distributors as % of total sales	84.16%	91.58%
	b) Number of dealers /distributors to whom sales are made	18	18
	c) Sales to top 10 dealers /distributors as % of total sales to dealers /distributors	91.54%	91.46%
Share of RPTs in	a) Purchases (Purchases with related parties / Total Purchases)	8.02%	3.84%
	b) Sales (Sales to related parties /Total Sales)	4.14%	0.29%
	c) Loans & advances (Loans & advances given to related parties /Total loans & advances)	-	-
	d) Investments (Investments in related parties /Total Investments made)	-	-

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

N.A.

2. Does the entity have processes in place to avoid /manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes

All the Directors of the Company discloses his/her concern or interest in the Company or Companies or bodies corporate, firms, or other association of individuals and any change therein, annually or upon any change, which includes the shareholding.

Further, a declaration is also taken annually from the Directors and Senior Management Personnel under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested.

PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25 Current Financial Year	FY 2023-2024 Previous Financial Year	Details of improvement in the environmental and social impact
R&D		-	-
Capex	0.5%	-	Sewage Treatment Plant (STP) is installed & commissioned at site in Jan 2025. It is used to treat sewage & other wastewater generated in the premises before dumping/reusing it in the environment. Environmental & Social Impact: STP is more efficient & can achieve higher levels of wastewater treatment, removing more pollutants & pathogens than Septic Tank. STP have more controlled odor, hence improve the air quality & reduce the impact on nearby communities. Septic Tank can fail or have leakages, if not properly maintained whereas there is no such a risk of failures in STP.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/ No)
 Yes, Salt & coal are our major raw materials which we transport through railways resulting in lower carbon footprints.
- b. If yes, what percentages of inputs were sourced sustainably?
 70 %
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
- a) Plastics (including packaging): As per the Plastic Waste Management rules, the company has laid down a procedure for collecting & segregating plastic waste generated during the process. Further recycling & disposal of plastic is carried out as per the CPCB guidelines.

- b) E-waste: The company has standard procedures for handling, storage & disposal of generated E-waste as per E- waste (Management) Rules. Further recycling and disposal of E – generated is carried out as per CPCB guidelines.
- c) Hazardous waste: The company has standard operating procedures for handling, storage and disposal of waste generated in the process classified as Hazardous Waste is disposed of as per CPCB and PPCB guidelines related to HWM 2016 rules. We have an agreement in place with the TSDF site for the safe and sustainable disposal of such Hazardous waste.
- d) Other waste: None.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes /No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

NA, as our all products are intermediates in nature which are used as raw material & are sold in Trucks, Tankers & Tonners and directly consumed by the customers.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective /Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

No

We have products that exist in the form of Liquid & Gaseous state. Therefore, the Production & dispatch is a continuous synchronized process and the same are dispatched immediately after production. Since the product is hazardous in nature so in order to Reduce the Hazard, the storage duration is kept just minimal. We are planning to conduct LCA in a phased manner in future.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
			N.A.		

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

LCA not conducted .

Name of Product /Service	Description of the risk / Concern	Action Taken
N.A.	N.A.	N.A.
N.A.	N.A.	N.A.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or reuse input material to total material	
	FY 2024-25	FY 2023-2024
Raw Water	6%	6%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	N.A.	N.A.	Contaminated Containers =3.13 MT Contaminated Bags = 11.77 MT	N.A.	N.A.	1.Plastic= 1.830 MT 2.Packaging =36.92 MT
E-waste	NIL	NIL		NIL	NIL	0.50 MT
Hazardous waste	NIL	NIL	MEE Sludge= 32.28 MT Spent Sulphuric acid= 2755.310 MT Spent Oil= 0.390 KL	NIL	NIL	MEE Sludge= 83.010 MT Spent Sulphuric acid= 2381.330 MT Spent Oil= 0.45 KL
Other waste	NIL	NIL		NIL	NIL	NIL

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

NIL

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
N.A	N.A.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accidental Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. B	%B/A	No. C	%C/A	No. D	% D/A	No. E	% E/A	No. F	% F/A
				Permanent Employees							
Male	108	0	0	108	100%	0	0	Nil	NA	Nil	NA
Female	8	0	0	8	100%	8	100	Nil	NA	Nil	NA
Total	116	0	0	116	100%	8	6.89%	Nil	NA	Nil	NA
				Other than Permanent Employees							
Male	16	0	0	16	100%	0	0	Nil	NA	Nil	NA
Female	0	0	0	0	0	0	0	Nil	NA	Nil	NA
Total	16	0	0	16	100%	0	0	Nil	NA	Nil	NA

*All Permanent Employees are covered under the Company's Medical Policy

b. Details of measures for the wellbeing of the workers

		% of workers covered by									
Category	Total (A)	Health Insurance		Accidental Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. B	%B/A	No. C	%C/A	No. D	% D/A	No. E	% E/A	No. F	% F/A
		Permanent Workers									
Male	235	0	0	235	100%	0	0	NIL	NA	NIL	NA
Female	14	0	0	14	100%	14	100%	NIL	NA	NIL	NA
Total	249	0	0	249	100%	14	5.62%	NIL	NA	NIL	NA
		Other Than Permanent Workers									
Male	368	0	0	36	9.78%	0	0	NIL	NA	NIL	NA
Female	3	0	0	0	0	0	0	NIL	NA	NIL	NA
Total	371	0	0	36	9.70%	0	0	NIL	NA	NIL	NA

** All Permanent Workers are covered under the Company's Medical Policy

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.18%	0.21%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	97.41%	100%	Y	97.81%	100%	Y
Gratuity	100%	100%	Y	100%	100%	N.A.
ESI	100%	100%	Y	100%	100%	Y
Others	NIL	NIL	NIL	NIL	NIL	NIL

3. Accessibility of workplaces

Are the premises /offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, necessary arrangements are made for making premises and office accessible for differently abled employees and workers as per the requirement

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

No

Primo provides equal employment opportunities to all employees and applicants regardless of race, caste, religion, colour, marital status, gender, sexual orientation, age, nationality, ancestry, disability, or any other protected status. The Company believes in treating everyone fairly and does not tolerate any unlawful discrimination when hiring or making workplace rules.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes/No (If yes, then give details of the mechanism in brief)	
Permanent Workers	The Company has provision for redressal of grievances of employees and workers. Also, the Company has adopted a Whistleblower Policy which provides mechanism to the employees and directors to report the unethical behavior actual or suspected fraud or violation of Code of Conduct.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
- Male	108	-	0%	126	0	0%
- Female	8	-	0%	11	0	0%
Total Permanent Employees	116	-	0%	137	0	0%
- Male	235	-	0%	233	0	0%
- Female	14	-	0%	16	0	0%
Total Permanent Workers	249	-	0%	249	0	0%

**** No recognized union at present in the Company**

8. Details of training given to employees and workers:

Category	FY 2024-25 Current Financial Year					FY 2023-2024 Previous Financial Year				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees									
- Male	108	85	78.70%	68	62.96%	126	83	65.87%	42	33.33%
- Female	8	8	100%	6	75%	11	8	72.72%	6	54.54%
Total	116	93	80.17%	74	63.79%	137	91	66.42%	48	35.03%
	Workers									
- Male	235	124	52.76%	72	30.63%	233	77	33.04%	30	12.87%
- Female	14	10	71.42%	13	92.85%	16	10	62.50%	0	0
Total	249	134	53.81%	85	34.13%	249	87	34.93%	30	12.04%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	108	108	100%	126	118	93.65%
Female	8	8	100%	11	10	90.90%
Total	116	116	100%	137	128	93.43%
Workers						
Male	235	235	100%	233	226	96.99%
Female	14	14	100%	16	14	87.50%
Total	249	249	100%	249	240	96.38%

10. Health and safety management system:

- a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Primo Chemical's is in process of implementation of Occupational health and safety management system (OSHA) ISO 45001:2018. Consultancy firm M/s Q-source International has been hired to assist us in implementing the IS 45001:2018. Document preparation is under progress. This standard shall be implemented in this Financial year.

- b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- Safety Audits by the agencies expert in the field i.e., National Safety Council (NSC), Technology supplier / Consultants: Thyssen Krupp tkIS, Mumbai, M/S TSM and Safety consultants, expert in Safety of Caustic -Chlorine Industries in India.
- Regular plant rounds by the safety team along with some Senior team members for identification of any such hazards,
- Safety committee (consisting of management, Staff & Workers) meeting is held on quarterly basis. Issues raised by them related to possible Hazards in the plant are addressed & scheme finalized to mitigate the Hazards are implemented.
- Apart from this any hazard or Risk identified by an employee is taken up to the Safety department who further ensures that the same is addressed satisfactorily through the concerned maintenance department.

- c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, regular Safety Committee meetings wherein Equal participation of Workers is ensured, are held and workers' Safety related issues are taken care by the management wherever technically feasible.

- d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
 Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-2024 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- I. Trainings are imparted to the workers/ transporters/officers and staff at each level to inculcate the safety culture among them.
- II. Wearing Safety Helmets is made mandatory in the plant.
- III. PPE'S have been provided to all the employees after identification of their need & their usage is also ensured by their respective HOS /HODs and Safety department.
- IV. SOP'S prepared specifically for a particular operation, are being followed.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	NIL	-	-	NIL
Health & Safety	-	-	NIL	-	-	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There is no as such incidence that took place in past but still to keep the safety of the Personnel & Plant, various steps have been taken such as Procurement of Firefighting tender, Additional firefighting team to mitigate any risk, Replacement of lights with Flame Proof, exhaust fan non- flammable type, water Curtain around the Cl2 Storage & Cl2 Filling Areas. Near Miss incidences are captured, analyzed and Corrective action taken thereof.

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees: Yes

(B) Workers: Yes

- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Primo Chemicals Limited ensures that all the statutory dues are deducted and deposited well in time by the Value Chain Partners. For this purpose, periodic internal and statutory audits are conducted by the Company.

- Provide the number of employees /workers having suffered high consequence work- related injury /ill-health /fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 Current Financial Year	FY 2023-2024 Previous Financial Year	FY 2024-25 Current Financial Year	FY 2023-2024 Previous Financial Year
Employees	-	-	-	-
Workers	-	-	-	-

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) –

Yes

- Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

- Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks / concerns were identified from the assessments of the health and safety practices and working conditions of value chain partners. However, proper training has been imparted to the workers/ transporters about the basic properties of all the products (MSDS), they are regularly taught about the safe handling & transportation of hazardous products such as Caustic, Chlorine, HCl & are provided with the Play cards and they are also provided emergency Contact numbers of Important Persons in case Emergency. Further Toll-free No is also provided to contact, in case of any emergency related to Chlorine (CERN) that may arise during transportation, thereby Nearest Caustic Chlorine Plant persons can be contacted, and requisite Help can be provided.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity.

The Company has identified its internal and external group of stakeholders and below listed stakeholder groups have an immediate impact on the operations and working of the Company. This includes Employees, Shareholders, Customers, Communities, Suppliers, Partners and Vendors. The company values the input and feedback provided by stakeholders and seeks to maintain strong relationships with them. Through ongoing engagement and communication, the company aims to ensure that the needs and expectations of all stakeholders are met.

- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee and Workers	No	Direct & other communication mechanisms, meeting email, notice board.	Ongoing	Company follows an open-door policy, training & development, performance management, etc.
Investors and Shareholders	No	E-mail, newspaper, advertisement, website, Annual General Meetings, disclosures to stock exchanges and investor meetings / calls / conferences	Need based and Quarterly calls	Information about business and statutory approvals
Government and Regulators	No	E-mail, letters, representations, meetings, etc.	Need based	Compliances, approvals, permissions, etc.
Customers and Dealers	No	Meetings	Frequent and need based	Informing them about products of the company, feedback, etc.
Banks and Financial Institutions	No	E-mail, Letters, Representations, Meetings.	Frequent and need based	Financial requirements and transactions
Community/ Society	No	Directly or through CSR implementation	Frequent and need based	Education, empowerment, health, infrastructure, conservation, etc.

Leadership Indicators

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The sub-committees of the Board ensures interaction between the stakeholders and the Board to ensure their views/ feedback on various matters.

- Stakeholders Relationship Cum Share Transfer Committee ensure to address the grievances of the stakeholders.

- Risk Management Committee (RMC) is entrusted with the functions of determining efficacy of risk management framework of the Company, evaluation of risks and mitigating measures. The Risk Management Policy of the Company sets out key risk areas including financial risks, legislative and regulatory risks, environmental risks and operational risks.

- The Corporate Social Responsibility (CSR) Committee ensures feedback from the concerned stakeholders on the CSR initiatives/activities undertaken by the Company.

- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Company engage with its internal and external stakeholders whenever required. Th Company takes feedback in respect of its CSR initiatives / activities from the concerned stakeholders.

- Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.

Under its CSR initiatives, the Company has been carrying out CSR activities to Ensuring environmental sustainability, ecological balance, Promotion of Health care including Preventive Health care and for Development of Neighbourhood by planting trees. Details of the Company's CSR initiatives are available at Annexure III - Annual Report on Corporate Social Responsibility (CSR) Activities.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total (A)	No. employees workers Covered (B)	% (B / A)	Total (C)	No. employees workers Covered (D)	% (D / C)
	Employees					
Permanent	116	63	54.31%	N.A.		
Other than permanent	16	5	31.25%			
Total Employees	132	68	51.52%			
	Workers					
Permanent	249	119	47.79%	N.A.		
Other than permanent	371	220	59.29%			
Total Workers	620	339	54.67%			

2. Details of minimum wages paid to employees and workers, in the following format:

Category Total (A)	FY 2024-25 Current Financial Year					FY 2023-2024 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More	than
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/A)	No. (F)	%(F/D)
Employees										
Permanent										
Male	108	0	0	108	100%	126	0	0%	126	100%
Female	8	0	0	8	100%	11	0	0%	11	100%
Other than Permanent										
Male	16	0	0	16	100%	19	1	5.26%	18	94.74%
Female	00	0	0	0	0	1	0	0%	1	100%
Workers										
Permanent										
Male	235	00	0	235	100%	233	0	0%	233	100%
Female	14	0	0	14	100%	16	0	0%	16	100%
Other than Permanent										
Male	368	283	76.90%	85	23.09%	371	280	75.47%	91	24.60%
Female	3	2	66.66%	1	33.33%	7	5	71.42%	2	28.53%

3. Details of remuneration/salary/wages

a) Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	15,50,000	1	7,25,000
Key Managerial Personnel other than MD & ED	1	25,23,093	1	35,31,297
Employees other than BOD and KMP	103	6,25,605	7	5,77,989
Workers	235	3,51,878	14	2,41,011

b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Gross wages paid to females as % of total wages	4.77%	4.52%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

No

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a common mechanism to redress grievances under human rights as for other grievances. Grievances are received through email, letter, or telephonically etc., it is registered by the HR and Admin department at respective locations and its sanity check is done. For complaints which are in the purview of the Code of Conduct committee, merits further investigation. Investigation is either internal or external, based on its severity. The investigator conducts investigation by gathering the data, validating, analyzing and gives his observations and recommendations.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	NIL	NIL	-
Child Labour	NIL	NIL	-	NIL	NIL	-
Forced Labour/ Involuntary Labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other human rights related issues	NIL	NIL	-	NIL	NIL	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-2024 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Average number of Female employees/workers at the beginning of the year and as at end of the year.	16	17
Complaints on POSH as a % of female employees /workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

As part of Whistleblower Policy and POSH Policy, the Company strictly maintains the protection of identity of the complainant. All such matters are dealt in strict confidence. As a part of our policy on Code of Conduct, the Company does not tolerate any form of retaliation or revenge against anyone reporting legitimate concerns.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NIL

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no audit concerns in the above areas for assessment in FY 2024-25.

Leadership Indicators

- Details of a business process being modified /introduced as a result of addressing human rights grievances/complaints.
The Company has policies like Whistle Blower and Prevention of Sexual Harassment Policy to deal with issues for protecting the rights of all the employees. The Company is motivated to safeguard the human rights of all employees with full zeal.
- Details of the scope and coverage of any Human rights due-diligence conducted.
NIL
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	NIL

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above

There were no audit concerns in the above area from the assessments in FY 2024-25.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
Essential Indicators

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-2025 Current Financial Year (in Joules Lacs)	FY 2023-2024 Previous Financial Year (in Joules Lacs)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources Rice Husk	2160925634	851950959
Total energy consumed from renewable sources (A+B+C)	2160925634	851950959
Total electricity consumption (D)	10418029846	10390335389
Total fuel consumption I	7565092241	344763378
Coal	7219998473	107537168
Furnace Oil	345093768	237226210
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	17983122087	10735098767
Total energy consumed (A+B+C+D+E+F)	20144047722	11587049726
Energy intensity per Rupee of turnover (total energy consumed/ Revenue from Operations)	3.78	2.92
Energy intensity per Rupee of turnover adjusted for Purchasing Power Parity (PPP) (total energy consumed/ Revenue from Operations adjusted for PPP)	78.00	59.64
Energy intensity in terms of physical output	134757	93885

*The intensity adjusted for PPP has been restated following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidelines for BRSR Core. The PPP factor has been sourced from IMF database. The restatement has led to a revision of prior reported value of 0.81 for the year ended March 31, 2024.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) NO.
If yes, name of the external agency.

- Does the entity have any sites /facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The PAT cycle -II period from 01.04.2016 to 31.03.2019 and target SEC is 0.2582 but against target we have achieved SEC is 0.2840 in FY 2018-19.

In PAT cycle -II we have not achieved the target SEC and 2488 Energy Certificates are required to avoid the penalty. The 1245 no's Energy certificates were gained in PAT cycle -I and the rest 1243 no's Energy certificates are procured through trading.

The compliance certificate i.e. Form D is also submitted to Punjab Energy Development Agency (PEDA) and Bureau of Energy Efficiency (BEE) Vide our letter no. PCL/EC/2023/1048 dated 23.12.2023 After compliance, The PAT cycle -II official closed.

Now we are in PAT cycle -VII and its period from 01.04.2022 to 31.03.2025. The target year is 2024-25 and target SEC is 0.2762 which could be achieved in the end of FY 2024-25.

The current SEC of FY 2023-24 is 0.241.

The Specific Energy Consumption for FY 2024-25 is 0.694 after considering plant as CPP unit.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	1004448	414990
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater /desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	1004448	414990
Total volume of water consumption (in kilolitres)	1004448	414990
Water intensity per rupee of turnover (Water consumed / turnover)	0.0001882482	0.0001045367
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption /Revenue from operations adjusted for PPP)	0.0038895837	0.0021358939
Water intensity in terms of physical output	4.44	1.37
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

* The intensity adjusted for PPP has been restated following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidelines for BRSR Core. The PPP factor has been sourced from IMF database. The restatement has led to a revision of prior reported value of 0.0000288 for the year ended March 31, 2024.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO

4. Provide the following details related to water discharged

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater	NIL	NIL
- No treatment	NIL	NIL

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
- With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others	IN-PROCESS	IN-PROCESS
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

- Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
Yes, Our industry follows Zero Liquid Discharge Philosophy. Effluent generated from industry is segregated into High TDS & Low TDS effluent. The high TDS effluent is treated in MEE & Low TDS effluent is treated in RO Plant. The permeate separated after treatment is taken back into Process system through Cooling Tower make up & the Hazardous waste MEE sludge after drying is sent to PPCB approved TSDF facility @ Nimbua, for the safe disposal.
- Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Nox	mg/Nm3	76	N.A.
Sox	mg/Nm3	69	N.A.
Particulate matter (PM)	mg/Nm3	72.2	62
Persistent organic pollutants (POP)	mg/Nm3	NA	N.A.
Volatile organic compounds (VOC)	mg/Nm3	NA	N.A.
Hazardous air pollutants (HAP)	mg/Nm3	1.9	N.A.
	mg/Nm3	1.6	
Others–please specify	N.A.	NA	N.A.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	0.287	NIL
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1.367	NIL
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)		0.0000000003	NIL
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000000064	NIL
Total Scope 1 and Scope 2 emission intensity in terms of physical output		1.654	NIL
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Equivalent/ Metric tonnes of equivalent product	-	-

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes

Use of Hydrogen Gas as fuel in Boilers instead of fossil fuel like Coal & Furnace Oil

9. Provide details related to waste management by the entity, in the following format: Does the entity have an equal opportunity policy

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Contaminated Containers=3.13 MT Contaminated Bags = 34.61 MT	1.Plastic= 1.830MT 2.Packaging = 36.92 MT
E-waste (B)	0.414 MT	0.245MT
Bio-medical waste (C)	0.0278 MT	0.032 MT
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	0.351 MT	0.190 MT
Radioactive waste (F)	NIL	NIL

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Other Hazardous waste. Please specify, if any. (G)	A) MEE Sludge= 26.240 MT B) Spent Sulphuric acid= 2749.898 MT C) Spent Oil= 0.790 KL	A) MEE Sludge= 71.814 MT B) Spent Sulphuric acid= 2370.506 MT C) Spent Oil= 0.65 KL
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Brine Sludge= 2761.351 MT	Brine Sludge= 2233.165 MT
Total (A+B + C + D + E + F + G + H)	5576.811 MT	4715.352 MT
Waste intensity per Rupee of turnover (total waste generated / Revenue from operations)	0.0000010452	0.0000011878
Waste intensity per Rupee of turnover adjusted for Purchasing Power Parity (total waste generated / Revenue from operations adjusted for PPP)	0.0000215954	0.0000242692
Waste intensity in terms of physical output	0.0372175025	0.0382060523

*The intensity adjusted for PPP has been restated following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidelines for BRSR Core. The PPP factor has been sourced from IMF database. The restatement has led to a revision of prior reported value of 0.0000003283 for the year ended March 31, 2024.

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	2788.455 MT	2381.330 MT
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	0.351 MT	0.190 MT
Total	2788.806MT	2381.52 MT

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

		Category of waste
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	26.240 MT	83.040 MT
Total	26.240	83.040 MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our industry follows Zero Liquid Discharge Philosophy. Effluent generated from industry is segregated into High TDS & Low TDS effluent. The high TDS effluent is treated in MEE & Low TDS effluent is treated in RO Plant. The permeate separated after treatment is taken back into Process system through Cooling Tower make up & the Hazardous waste MEE sludge after drying is sent to PPCB approved TSDF facility @ Nimbua, for the safe disposal.

The company has put in place several initiatives a) to reduce manufacturing rejects as part of the resource optimization and waste minimization process, and to b) to reduce generation of hazardous waste and toxic chemicals by source reduction through plant modifications, waste recovery, recycle or waste treatment through destruction.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Nangal-Una-Road, Naya Nangal	Chemical	Yes

- No new project taken up this FY 2024-2025

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: NA

Name and brief details of project	EIA Notification No.	Date	Whether conducted by external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

YES,

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

N.A.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Not Applicable
- Nature of operations: Not Applicable
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format: NA

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NIL	NIL
Total Scope 3 emissions per rupee of turnover	-	NIL	NIL
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

There is a total of 03 no of ecological sensitive areas located in 10km of radius around our industry premises i.e., Protected Forest, Wildlife Sanctuary, Wet Land.

Significant aspects that may cause environmental impacts are as follows:

- Fugitive emissions of Chlorine, Emissions of HCl & unabsorbed Cl₂, Emissions of PM, SO₂, NO_x, Deposition of PM & SO₂ on nearby area, Emissions due to venting of gases, Risk during venting of pressurised gas / liquid.
- Possibility of soil contamination due to improper disposal and/or transportation of solid and hazardous waste, Possibility of groundwater and soil contamination due to improper disposal/ storage of wastewater.
- Draining material mixed with groundwater and soil can cause damage to flora, fauna found in soil and Soil contamination and destruction of surrounding vegetation and associated biodiversity due to deposition of excess chlorine.

Prevention & Remediation Activities:

- Surface water quality will not be affected due to the industry as industry follows Zero Liquid Discharge policy (ZLD). Constant R & D is being done to Segregate the Effluent based on Quality i.e. High TDS & Low TDS & reduce the Quantity of Effluent generated. Accordingly Proper SOPs are in place for treatment of Waste Water. ZLD is achieved by recycling and reuse of treated wastewater from RO & MEE plant. Final hazardous solid waste generated is sent to PPCB approved Recycler and Permeate is pumped back to Process System.
- The concentration of the pollutants in the environment is maintained within the allowable limits as recommended by MOEF&CC, NAAQI and CPCB guidelines. Through PPCB & CPCB recommended APCD's, water scrubbers and Electrostatic precipitator, vegetation, and human settlements in the vicinity of industry is not likely to be affected. Provision of Caustic scrubbers for neutralisation of waste Cl₂ gas in the plant has been made. Standardized SOPs for critical operations are also followed. Industry has already taken adequate Safety measures to handle such like emergency situations by: Inbuilt Control mechanism in the Process operation system, Gas Detectors / Sensors at Critical / Hazardous locations in the plant

to Monitor & initiate Safety Control mechanism to control / stop it's spread beyond the source of leakage and to Mitigate the Consequences of leakage, should it spread beyond the plant boundary. All such possible events & Worst case scenario leading to large scale spread of Cl₂ gas, have been postulated & effect thereof in terms of Dispersion in the Air vis - a vis Dose & Distance to which it may effect, has been studied through Dispersion Modelling using ALOHA software. Sensors are also being installed at the plant boundary facing towards adjoining villagers to monitor & ensure that no Fugitive Cl₂ escapes outside the plant.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions /effluent discharge /waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (web-link, if any, may be provided along-with summary)	Outcome of the Initiative
1.	Reusage of wastewater generated from IXC.	The wastewater generated recycled back into the process after chemical & resin treatment.	Reduced load on RO to 100% from 90% (which was achieved in last FY).
2.	Reusage of waste water generated from DM Plant.	The wastewater generated recycled back into the process after chemical & resin treatment.	
3.	Green Belt development	Green belt is developed along & inside the premises, we have planted an additional 2156 plants this FY. Total plantation done till now is 34156.	This initiative improves our air quality.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the industry has its 'On Site Emergency Plan' that covers all the possible Postulated Events / Scenario, such as leakage of gas from pipeline / valve, rupture of bullet and leakage of Chemicals along with their Risk Assessment, mitigation measures and their consequences. It also includes Emergency & First Aid Procedures with defined responsibilities of key personnel that must be followed during the emergency.

For ensuring the continuity in our business, we are preparing a document that outlines all the probable risks (social, financial, environmental, strategic risks) which have the potential to disrupt our business along with a comprehensive review of the mitigation measures that can immediately be implemented to smoothen the disturbances and ensure uninterrupted Continuity of our business.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not any Significant adverse impact

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NIL

8. **How many Green Credits have been generated or procured:**

- a. By the listed entity NIL

Presently, company has not registered under Green Credit Program. However, industry is continually contributing to activities like afforestation, water conservation, effluent reduction, waste management, and air pollution reduction.

- b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners NIL

Data not available.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Three.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers associations (State/National)
a)	Alkali Manufacture Association of India (AMAI)	National
b)	National Safety Council (NSC)	National
c)	Punjab Industrial Safety Council	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ others)	Web policy link, if available
1.	Advocating Chlorine Emergency Response Network. (CERN)	Provided toll free no to provide necessary help in case of emergency related to leakage of Cl ₂ in that area.	Yes	Sent to AMAI on monthly basis.	https://amaindia.org/

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development
Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

No new projects were undertaken this year.

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable.

- Describe the mechanisms to receive and redress grievances of the community.

A mechanism is in place to interact with community leaders to understand and address their concerns, if any.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2024-2025 Current Financial Year	FY 2022-2023 Previous Financial Year
Directly sourced from MSMEs / small producers	37%	58%
Sourced directly from within the district and neighbouring districts	39%	5%

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent /on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-2025 Current Financial Year	FY 2023-2024 (Previous Financial Year)
Rural	-	-
Semi-urban	54.68%	52.23%
Urban	45.32%	47.76%
Metropolitan	-	-

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
N.A.	-

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

For this reporting period, the company did not undertake any CSR projects in designated aspirational districts.

- (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Not Applicable

- From which marginalized /vulnerable groups do you procure?

Not Applicable

c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S No.	Intellectual Property based on traditional knowledge	Owned / Acquired Yes / No	Benefit shared (Yes / No)	Basis of calculating benefit share
1.	NIL	-	-	-

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of CSR Projects & Beneficiaries : Our company's CSR initiatives focus primarily on beneficiaries belonging to vulnerable and marginalized section, hence almost entire CSR spending and coverage numbers qualify to be included under beneficiaries from vulnerable and marginalized section of the society.

PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a well-established setup for logging complaints for the existing customers through emails, letters and phone. Complaints are escalated and resolved within the time bound period depending on the nature of the complaint.

2. Turnover of products/services as a percentage of turnover from all products/services that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2024-2025 Current Financial Year			FY 2023-2024 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data Privacy	NIL	NIL	-	NIL	NIL	-
Advertising	NIL	NIL	-	NIL	NIL	-
Cyber-security	NIL	NIL	-	NIL	NIL	-
Delivery of Essential Services	NIL	NIL	NIL	NIL	NIL	-

	FY 2024-2025 Current Financial Year			FY 2023-2024 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	-
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	-
Others*	29	NIL	NIL	52	NIL	-

*Include complaints from customers and shareholders.

4. Details of instances of product recalls on account of safety issues:
NIL
5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
There is a GITC policy that have a section on cyber security. We also carry out periodic risk assessment study on cyber security measures for mitigating risks related to cyber security and data privacy.
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty /action taken by regulatory authorities on safety of products / services.
During the reporting period, there were no complaints/issues related to advertising and delivery of essential services, as well as cyber security and data privacy of customers. Additionally, no products were recalled in the current reporting year, and no fines or penalties were imposed, nor any regulatory actions taken regarding the safety of products or services.
7. Provide the following information relating to data breaches:
 - a) Number of instances of data breaches along-with impact – NIL
 - b) Percentage of data breaches involving personally identifiable information of customers – NIL

Leadership Indicators

1. Channels /platforms where information on products and services of the entity can be accessed (provide web link, if available).
Information related to products and services of the entity can be accessed on the website of the company i.e. www.primochemicals.in
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
The Company adheres to relevant regulatory requirements by disclosing information to its stakeholders on the safe and responsible usage of products.
3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.
The Company informs through emails and phone calls.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
The Company provides all relevant information regarding the products. We do not conduct survey, but our sales force remains in regular touch with the customers and collects relevant feedback from them relating to their concerns, their expectations or complaints. Customer feedback or complaints received from all sources is adequately addressed in a time-bound manner.

ANNEXURE – VIII TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

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

To,
The Members,
Primo Chemicals Limited
Bay No. 46-50, Sector 31-A,
Chandigarh 160030

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRIMO CHEMICALS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **PRIMO CHEMICALS LIMITED'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PRIMO CHEMICALS LIMITED** ("the Company") for the financial year ended on March 31, 2025 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.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021- Not Applicable to the company during the financial year under review.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no

instance of Buy-Back during the financial year.

- f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.
- (vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, Employee State Insurance Act, 1948, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972, The Industrial Employment (Standing Order) Act, 1946, Equal Remuneration Act, 1976 etc.
- (vii) Environment Protection Act, 1986 and other environmental laws.
- (viii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.
- (ix) The Air (Prevention and Control of Pollution) Act, 1981
- (x) The Water (Prevention and Control of Pollution) Act, 1974
- (xi) The Boilers Act, 1923, The Explosives Act, 1884 and The Explosives Rules, 2008, Gas Cylinder Rules, 2004.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Government of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('LODR Regulations') being listed on the BSE Limited;

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions are carried out through majority and there had been no dissenting views, and therefore not recorded.
4. The company has proper board processes.

Based on the compliance mechanism established by the company, I am of an opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that after the closure of the audit period but prior to the issue of this report, pursuant to the application filed with the approval of the Board of Directors, 24,23,43,220 Equity shares of the Company were listed on the Main Board of National Stock Exchange of India Limited with effect from 22nd April, 2025.

I further report that, during the audit period under review there were no instances of

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity
- (ii) Merger / amalgamation / reconstruction etc.
- (iii) Major decisions under Section 180 of the Companies Act, 2013.
- (iv) Redemption / Buy-back of Securities
- (v) Foreign technical collaborations.

Place: Chandigarh

Date : 15.07.2025

UDIN: F002191G000783983

For **A. Arora & Co.**
Company Secretaries

Sd/-

AJAY K. ARORA

(Proprietor)

FCS No. 2191

C P No.: 993

Peer review Cert No. 2120/2022

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

“Annexure-A”

To,
The Members,
Primo Chemicals Limited
Bay No. 46-50, Sector 31-A,
Chandigarh 160030

Our 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 secretarial records. The verification was done on test basis to ensure that the 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. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the extent of 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.

Place: Chandigarh
Date : 15.07.2025
UDIN: F002191G000783983

For A. Arora & Co.
Company Secretaries

Sd/
AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer review Cert No. 2120/2022

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of Primo Chemicals Ltd

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Primo Chemicals Ltd ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, the Standalone Statement of Profit and Loss (including the Standalone statement of Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind As financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss statement 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 Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors of the company is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of the audit trail feature being tampered with.
- i) In accordance with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 and as required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 company had preserved audit trail as per the statutory requirements for record retentions.
- j) 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 litigation on its financial position in its Standalone Ind AS 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 has been no amount which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2025.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For S Tandon & Associates LLP

Chartered Accountants
ICAI Firm Registration Number 006388N/N500433
ICAI UDIN: 25518893BMKRPV5241

Sd/-

Nipun Rastogi

Partner

Membership No 518893

Place of Signature: Chandigarh

Date: May 30, 2025

Annexure A to Auditor's Report

(Annexure referred to in paragraph under "Report on other legal and regulatory requirements" of the independent audit report)

- i) a) The company has maintained proper records showing full particulars, including the quantitative details and situation of tangible and intangible assets.
- b) The Company has a regular programme of physical verification of its property plant and equipment's by which assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (except properties which are taken on lease by the company with duly executed lease agreements in favour of the lessee) disclosed in the Standalone financial statements are held in the name of the company.
- d) According to the information and explanations given to us the company has not revalued its Properties, Plant and Equipment's or intangible assets or both during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) a) The items of inventories has been physically verified by the management during the year. As per our opinion the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- b) The company has been sanctioned working capital limits of Rs 75 Crores (fund based and non-fund based) and the quarterly returns and statements filed with the banks are in agreement with the books of accounts of company.
- iii) The company has not made any investments and not provided any guarantee or security or not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv) In our opinion and according to the information and explanations given to us, the company has not given any loans as per section 185 in respect of loans provided to directors. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the company's act 2013 with respect to the investment made.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) We have broadly reviewed the books of account as required to be maintained by the Company under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and the records have been made and maintained.
- vii) a) According to the information and explanation to us and on the basis of our examination of the records of the company, amount deducted/ accrued in the books of account in respect of undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise duty and Cess and other material statutory dues have been regularly deposited with the appropriate authorities. As explained to us there were no arrears of the statutory dues for the period more than six months from the date, they became payable at the end of the financial year.

- b) Following Disputed Statutory Dues are not deposited on account of disputes pending at various forums: Yet to be finalized

Name of the Statue	Nature of Dues	Amt. in Lakhs	Period to which amount relates	Forum where dispute is pending
Central Excise Act,1944	Excise Duty & Penalty	60.17	2004-2008	CESTAT
Central Excise Act,1944	Excise Duty & Penalty	5.49	April'08 to June'08	CESTAT
Finance Act, 1994	Service Tax Penalty	4.66	April'11 to Dec'11	CESTAT
Finance Act, 1994	Service Tax Penalty	116.09	Feb'07 to March'11	CESTAT
Central Excise Act,1944	Excise Duty & Penalty	3.11	Jan'12 to Nov'12	CESTAT
Central Excise Act,1944	Excise Duty & Penalty	5.32	July'11 to Dec'11	CESTAT
Finance Act, 1994	Excise Duty & Penalty	25.79	Jan'12 to Nov'12	CESTAT
Finance Act, 1994	Excise Duty & Penalty	16.99	July'13 to Dec'13, Dec'12 to June'13	CESTAT

- viii) According to the information and explanations given to us, the company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a) According to the information and explanations given to us, the company has not defaulted in repayment of dues to any lender;
- b) The company has not declared willful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us, the company has applied the term loans received during the year for the purposes for which the loans were obtained.
- d) According to information and explanations given to us funds raised on short term basis have not been utilized for long term purposes.
- 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.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xi) a) According to the information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the course of our audit;
- b) According to the information and explanations give to us there is no requirement to report under sub-section (12) of section 143 of companies act and also no requirement to file ADT-4 by the auditors as prescribed under rule 13 companies (Audit and auditors) rules 2014 with the central government.
- c) There are no whistle-blower complaints that have been received by the company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.

- xiv) According to the information and explanations given to us, the company has an adequate internal audit system commensurate with the size and nature of its business and we as statutory auditors have considered the internal audit reports issued by the Internal Auditors for the period under audit in determining the nature, timing and extent of our audit procedure.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) a) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion and according to the information and explanations given to us, the Company is not a Non-Banking Financial company or Housing Finance company. Accordingly, paragraph 3(xvi(b)) of the Order is not applicable.
- c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company. Accordingly, paragraph 3(xvi(c)) of the Order is not applicable.
- xvii) As per the information and explanations given to us, the company has not incurred any cash losses in the financial year and in the immediately preceding financial year;
- xviii) There is no resignation of the statutory auditors during the year, accordingly, paragraph 3(xviii) of the Order is not applicable. The previous auditor had been retired and new statutory auditors have been appointed.
- (xix) On the basis of financial ratios, aging and expected date of realization of financial assets and payments of financial liabilities and other information accompanying the financial statements, in our opinion and according to the information and explanations given to us, there is no material uncertainty that exists as on the date of the audit report of the company that the company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts 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) Company is not eligible to spent any amount towards corporate social responsibility in current financial year. Hence reporting under clause xx(a) and (b) is not applicable.
- (xxi) There have been no qualifications or adverse remarks by the respective auditors reports of the companies included in the consolidated financial statements.

For S Tandon & Associates LLP

Chartered Accountants

ICAI Firm Registration Number 006388N/N500433

ICAI UDIN: 25518893BMKRPV5241

Sd/-

Nipun Rastogi

Partner

Membership No 518893

Place of Signature: Chandigarh

Date: May 30, 2025

Annexure B to Auditor's Report

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

We have audited the internal financial controls over financial reporting of Primo Chemicals Ltd as of 31st March 2025 in conjunction with our audit 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Place of Signature: Chandigarh
Date: May 30, 2025

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S Tandon & Associates LLP

Chartered Accountants

ICAI Firm Registration Number 006388N/N500433

ICAI UDIN: 25518893BMKRPV5241

Sd/-

Nipun Rastogi

Partner

Membership No 518893

Standalone Balance Sheet as at March 31, 2025

(₹ in Lakhs)

Particulars	Note No.		As at March 31, 2025	As at March 31, 2024
ASSETS				
Non Current Assets				
a) Property, plant and equipment	3	49125.66		46167.23
b) Right-of-use assets	3a	565.78		664.34
c) Capital work-in-progress	4	1026.05		4862.55
d) Other intangible assets	3b	5.30		7.96
e) Investments accounted for using the equity method	5	5299.81		5299.81
f) Financial Assets				
(i) Trade receivables	6	-		-
(ii) Other financial assets	7	2189.49		2257.92
g) Other non-current assets	9	601.65		1092.30
Sub Total: Non Current Assets			58813.74	60352.11
Current Assets				
a) Inventories	10	3389.93		2226.59
b) Financial Assets				
(i) Trade receivables	11	4277.10		3499.63
(ii) Cash and cash equivalents	12	16.76		47.13
(iii) Other bank balances other than (ii) above	12	807.87		90.60
(iv) Other financial assets	13	642.17		192.79
c) Other current assets	14	5342.48		4362.45
Sub Total: Current Assets			14476.31	10419.19
TOTAL ASSETS			73290.05	70771.30
EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	15	4846.86		4846.86
b) Other Equity	16	33460.16		33213.48
Sub Total: Equity			38307.02	38060.34
Liabilities				
Non current liabilities				
a) Financial Liabilities				
(i) Borrowings	17	7997.83		10614.81
(ii) Lease liabilities	18	49.41		110.06
b) Provisions	19	522.18		508.76
c) Deferred tax liabilities (Net)	8	2623.64		1613.11
Sub Total: Non Current Liabilities			11193.06	12846.74
Current liabilities				
a) Financial Liabilities				
(i) Borrowings	20	8806.65		7031.36
(ii) Lease liabilities	18	36.96		66.80
(iii) Trade payables:				
(A) Total outstanding dues of Micro & Small Enterprises	21	1173.05		455.43
(B) Total outstanding dues of creditors other than Micro & Small Enterprises	21	5202.03		2620.42
(iv) Other financial liabilities	22	675.84		1906.44
b) Other current liabilities	23	7777.64		7706.97
c) Provisions	24a	56.89		76.80
d) Current Tax Liabilities (Net)	24b	60.91		-
Sub Total: Current Liabilities			23789.97	19864.22
TOTAL EQUITY AND LIABILITIES			73290.05	70771.30
Material Accounting Policies	2			
Notes forming an integral part of the standalone financial statements	1 to 52			

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPV5241

Sd/-
(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Standalone Statement of Profit and Loss for the year ended March 31, 2025 (₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	26	55555.81	39698.02
Other income	26a	2088.87	1942.14
Total Income		57644.68	41640.16
EXPENSES			
Cost of material consumed	27	10128.84	8004.45
Purchase of Stock in Trade		2143.89	1.26
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(345.91)	(348.59)
Manufacturing expenses	29	23609.92	19658.76
Employee benefits expenses	30	5029.17	4366.84
Finance costs	31	2300.80	1820.57
Depreciation and amortisation expense	3 & 9	5110.57	3956.05
Other expenses	32	8155.87	7323.33
Total Expenses		56133.15	44782.67
Profit /(Loss) before tax		1511.53	(3142.51)
Tax Expenses			
Current Tax		279.69	-
Adjustments of tax related to earlier years		-	19.19
Deferred Tax		996.63	(575.88)
Total Tax Expense		1276.32	(556.69)
Profit/(Loss) for the year after Tax		235.21	(2585.82)
Profit/(Loss) transferred to Other Equity		235.21	(2585.82)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation		39.80	(10.98)
Income tax relating to items that will not be reclassified to profit or loss	35	13.91	(1.88)
Net Other Comprehensive Income		25.89	(9.10)
Total Comprehensive Income for the year		261.10	(2594.92)
Profit before interest, depreciation and tax (EBIDTA)		8922.90	2634.11
Earnings/(Loss) per Equity Share of ₹ 2/- each			
Basic (in ₹)	36	0.10	(1.07)
Diluted (in ₹)	36	0.10	(1.07)
Material Accounting Policies	2		
Notes forming an integral part of the standalone financial statements	1 to 52		

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date

For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPV5241

Sd/-
(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Standalone Statement of Cash Flow for the Year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) after tax	235.21	(2585.82)
Adjustments for:		
Income Tax Expense	1276.32	(556.69)
Depreciation and Amortisation Expenses	4806.51	3668.02
Miscellaneous Expenses Written Off	304.06	288.03
Foreign Exchange Fluctuation	12.16	-
Provision for Gratuity	39.80	(10.98)
Amount Transferred from WIP to Stores	3.81	278.69
(Gain)/loss on sale of Fixed Assets	(72.81)	(51.79)
Interest Income	(167.65)	(179.55)
Finance Cost / Interest on Term Loan	1180.34	1068.40
Operating Profit Before Working Capital Changes	7617.75	1918.31
Adjustments for:		
(Increase)/Decrease in Trade receivables	(777.47)	1664.12
(Increase)/Decrease in Other Current Assets	(1198.81)	(959.02)
(Increase)/ Decrease in Inventories	(1163.34)	(425.18)
(Increase)/Decrease in current financial assets others & capital advances	(262.79)	1144.14
(Decrease)/Increase in Trade Payable & creditors for capital goods	2080.17	(2036.61)
(Decrease)/Increase in Short Term Borrowings	62.68	(5.25)
(Decrease)/Increase in Other Current Liabilities & non current liabilities & provisions	105.07	1431.03
(Decrease)/Increase in Short Term Provisions	(19.91)	21.68
Net Working Capital Changes	(1174.40)	834.91
Cash Generated From Operations	6443.35	2753.22
Income Tax (Paid)/Refund	-	(1386.12)
Net Cash From Operating Activities	6443.35	1367.10
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(4015.19)	(6763.31)
Sale/Adjustment of Fixed Assets	198.49	285.66
Investment made	-	-
Bank deposits (placed)/matured	(833.26)	897.47
Interest Received	167.65	179.55
Long Term Advances (Given)/received	184.42	(168.55)
Purchase of Membranes and Recoating of Pans	-	(22.87)
Net Cash Used in Investing Activities	(4297.89)	(5592.05)
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings	192.94	4370.22
Repayment of term loans to banks	(2720.13)	(5468.41)
Finance cost paid	(1210.24)	(1044.19)
Principal payment of lease liabilities	(46.24)	(39.03)
Interest paid on lease liabilities	(14.98)	(14.37)
Proceeds from Short Term Borrowings (Working Capital)	1622.82	4319.15
Net Cash Flow from Financing Activities	(2175.83)	2123.37
Net Increase/(Decrease) in Cash And Cash Equivalents	(30.37)	(2101.58)
Cash And Cash Equivalents at the beginning of year	47.13	2148.71
Cash And Cash Equivalents at the end of year	16.76	47.13

Explanatory notes to the Standalone Statement of Cash Flows:

- Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows" prescribed under the Companies (Indian Accounting Standards) Rules, 2015.
- The amount of ₹30.07 lakhs (Previous Year - ₹681.00 lakhs) are undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

Notes forming an integral part of the standalone financial statements

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date

For **S. Tandon & Associates LLP**

Chartered Accountants

Firm Registration No. 006388N

ICAI UDIN: 25518893BMKRPV5241

Sd/-

(NIPUN RASTOGI)

Partner

Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Standalone Statement of Changes In Equity for the Year ended March 31, 2025

(₹ in Lakhs)

A. Equity Share Capital**Current reporting period**

(₹ in Lakhs)

Balance as at 1.4.2024	4846.86	Changes in equity share capital during the year	-	Balance as at 31.03.2025	4846.86
------------------------	---------	---	---	--------------------------	---------

Previous reporting period

(₹ in Lakhs)

Balance as at 1.4.2023	4846.86	Changes in equity share capital during the year	-	Balance as at 31.03.2024	4846.86
------------------------	---------	---	---	--------------------------	---------

B. Other Equity**Current reporting period**

(₹ in Lakhs)

	Reserves and Surplus			Other Comprehensive Income (OCI)	Total
	Capital Reserve	Securities premium Reserve	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1.4.2024	3483.23	16025.58	13689.98	14.69	33213.48
Total Comprehensive Income for the year	-	-	235.21	25.89	261.10
Depreciation	(46.82)	-	46.82	-	-
Other Reserves	-	-	-	-	-
Adj. in respect of Assets sold/discarded(Net)	(14.42)	-	-	-	(14.42)
Share Forfeited Reserve	-	-	-	-	-
Securities Premium Reserve	-	-	-	-	-
Balance as at 31.03.2025	3421.98	16025.58	13972.01	40.58	33460.16

Previous reporting period

(₹ in Lakhs)

	Reserves and Surplus			Other Comprehensive Income (OCI)	Total
	Capital Reserve	Securities premium Reserve	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1.4.2023	3531.85	16025.58	16228.81	23.79	35810.03
Total Comprehensive Income for the year	-	-	(2585.82)	(9.10)	(2594.92)
Depreciation	(46.99)	-	46.99	-	-
Other Reserves	-	-	-	-	-
Adj. in respect of Assets sold/discarded(Net)	(1.63)	-	-	-	(1.63)
Share Forfeited Reserve	-	-	-	-	-
Securities Premium Reserve	-	-	-	-	-
Balance as at 31.03.2024	3483.23	16025.58	13689.98	14.69	33213.48

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPV5241
Sd/-

(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Company Overview:

Primo Chemicals Limited ('the Company') is a limited company incorporated in India. The Registered & Corporate Office of the Company is at Bay No. 46-50, Sector 31-A, Chandigarh - 160030, India. CIN - L24119CH1975PLC003607. The Ordinary (Equity) shares of the Company are listed on the BSE Limited ("BSE"). The Ordinary(Equity) shares are also listed on National Stock Exchange of India Ltd ("NSE") since April 22, 2025.

The financial statements have been approved by Board of Directors in their board meeting held on May 30, 2025.

The company is primarily involved in manufacturing of :

- a. Caustic Soda Lye
- b. Caustic Soda Flakes
- c. Hydrochloric Acid
- d. Liquid Chlorine
- e. Sodium Hypochlorite
- f. Hydrogen Gas
- g. Stable Bleaching Powder
- h. Aluminium Chloride

Note No. 1: BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation and compliance with Ind AS

The financial Statements are prepared on an accrual/going concern basis and historical cost convention except for certain financial assets that are measured at fair value. These financial statements of the Company have been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company has consistently applied accounting policies to all years. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

The presentation of the Financial Statements is based on Ind AS Schedule III of the Act. The financial statements are presented in Indian Rupee and all values are rounded off to the nearest Lakhs as per the requirement of Schedule III, except when otherwise indicated.

Note No. 2: MATERIAL ACCOUNTING POLICIES.

(a) Accounting Convention

The financial statements are prepared under the historical cost convention except for certain financial assets and liabilities that are measured at fair value and on the basis of going concern. The financial statements have been prepared on a going concern basis on the strength of profitability, liquidity and continued support of the promoters, financial institutions and banks and with a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. All expenses and incomes to the extent considered payable and receivable respectively, unless stated otherwise, have been accounted for on mercantile basis.

(b) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, intangible assets, fair value of financial assets/liabilities and impairment of investments.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 2 (contd..)

i) Useful lives of property, plant and equipment and intangible assets :

The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

ii) Leases:

The Company considers all the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right of-use asset and the corresponding lease-liability.

iii) Income Tax:

Deferred tax assets are recognised for the unused tax losses credits for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

iv) Provision for rebates and discounts

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on past experience, market conditions and current contract prices with customers.

v) Allowance for impairment of trade receivables

The Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

vi) Impairment of Investments

The Company reviews the carrying value of long term investments in equity/preference shares of associate, subsidiaries and joint venture companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(c) Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and interest on loans attributable to the acquisition or construction of assets up to the date of assets available for use as intended by management.

Tangible Assets are stated at fair values. Machinery Spares have been capitalised as and when issued. Direct costs are capitalised until the property, plant and equipment are available for use, as intended by the management. These costs also include financing cost which has been capitalized on qualifying assets as per Ind-AS 23. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are taken out from books of accounts and resultant profit (including capital profit) or loss, if any, is reflected in Statement of Profit & Loss.

The Company has identified spares having value (landed cost) of ₹10000/- & above and having life of more than one year in line with the Ind-AS 16. These spares are transferred to capital work in progress account and are capitalized as and when issued. The full value of these spares is being depreciated over their useful life using the straight-line method.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 2 (contd..)

Estimated Useful Lives:

Asset	Useful Life
Building	30-60 years
Railway Siding	15 years
Plant and equipment	2-22 years
Furniture and fixtures	8-10 Years
Office Equipments and computers	3- 5 Years
Vehicles	8 Years

(d) Depreciation

The Company has charged depreciation on fixed assets on straight-line basis (SLM) on a pro-rata basis from the date of additions / available for use as intended by management, as per their useful life based on past operational experience as certified by the technical staff of the plant. Fixed Assets individually costing up to ₹5,000/- are depreciated 100% in the year of purchase. The intangible assets are being amortised over a period of 5 years. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

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

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc. Estimated residual value of tangible assets has been taken at 5%.

(e) Intangible Assets:

Intangible Assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. These assets are being amortized over a period of five years. Costs associated with maintaining software programme are recognized as an expense as incurred.

Intangible assets are amortised over the useful economic life 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 are reviewed at least at the end of each reporting period.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(f) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in 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 classified as current when it is expected to be settled in 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 noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(g) Valuation of Inventories

The items of finished goods are valued at lower of cost or estimated net realisable value. Cost of finished goods includes material cost and appropriate portion of production and administrative overheads and excludes interest and marketing expenses. The value of finished goods stock is exclusive of GST. Cost of raw material, building material and stores & spares is determined (net of input tax credit) at monthly weighted average cost basis. Material in transit is taken at cost price. Stock in process is valued at cost of raw material added. Scrap, if any, at the year end does not form part of closing inventory.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 2 (contd..)

(h) Investment in associates enterprises

The company prepares separate financial statements to account for investments in associate enterprises. The investments in associates have been accounted for at cost less accumulated impairment, if any.

(i) Financial instruments

Recognition and initial measurement

All financial assets and financial Liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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

Classification and subsequent measurement

i) Financial assets

Financial assets at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment

are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets carried at fair value through other comprehensive income (FVTOCI) : The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries, Joint Venture and Associates) to present the subsequent changes in fair value in other comprehensive income.

Financial assets at FVTPL : A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

ii) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(j) Revenue Recognition

Revenue is recognised at the transaction price as per agreements with the customers after taking into account the amount of price discount, volume rebate, outgoing taxes (GST) on sales on satisfaction of performance obligation by transfer of effective control of the promised goods to the customer which is generally on dispatch/delivery of goods, as applicable. The revenue is recognised on point in time basis.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 2 (contd..)

Insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

Income from service activities is accounted for on rendering the service in accordance with the contractual terms and when there is no uncertainty in receiving the same.

(k) Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the company will comply with the conditions attached to it and that the grants will be received. Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

(l) Foreign Exchange Transactions

i) Functional and presentation currency

The Financial Statements are presented in Indian Rupee which is the functional and presentation currency of the Company.

ii) Transactions and balances

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract. Any income

or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit & Loss.

(m) Employee Benefits

i) Defined Contribution Plan :

Employee defined contribution plans include Provident Fund and Employee State Insurance. The Company's Contribution paid/payable during the year towards Provident Fund Scheme and Employees's State Insurance (where applicable) are recognised as expense in the Statement of Profit & Loss. The Company has no further obligations under the plan beyond its monthly contributions.

ii) Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

iii) Defined Benefit Plan :

The Company's liabilities towards leave encashment and gratuity are determined by an independent actuary, using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds. Actuarial gains and losses are recognised immediately in the Statement of Profit & Loss as income or expense and other comprehensive income as per Ind-AS 19. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 2 (contd..)

iv) Gratuity :

Gratuity liability has been covered by master policies of Life Insurance Corporation of India under irrevocable trust.

(n) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in Statement of Profit & Loss in the period in which they are incurred.

(o) Earnings Per Share

The Basic Earnings/ (Loss) per Share is computed on the basis of weighted average number of Equity Shares outstanding during the financial year. The Diluted Earnings/(Loss) per Share is computed on the basis of weighted average number of Equity Shares outstanding during the year and the Potential Equity Shares.

(p) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax is recognised using the balance sheet approach. Deferred tax has been recognised in accordance with IND-AS 12 on the basis of tax consequences of difference between the carrying amounts of assets and liabilities and their tax base.

Deferred tax assets are recognised to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable

profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(q) Provisions and contingent liabilities

Provisions for claims including litigations are recognised when the Company has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(r) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 2 (contd..)

and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. For the short term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The Company as a lessee

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature.

(s) Statement of Cashflows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cashflows are segregated into and presented as cashflows from operating, investing and financing activities.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the company. The Business activity of the company majorly falls within one business segment viz "Chemicals".

- (u) Accounting policies not specifically referred above are consistent with generally accepted accounting practices.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 3. Property, Plant and Equipment

Property, plant and equipment comprise of owned and leased assets.

Particulars	Site Development	Land -Freehold	Buildings	Buildings Factory	Tube well	Plant and Equipment	Office Equipment	Furniture and Fixtures	Computer	Vehicles	Electric Installation	Railway Sidings	Lab Instruments	Total
(₹ in Lakhs)														
Cost or Valuation														
Balance as at 1 st April, 2023	28.15	2646.71	974.62	3546.26	46.34	47237.51	180.98	142.72	197.92	1158.69	47.31	181.28	55.24	56443.73
Additions during the year	-	9.01	998.37	1685.34	-	19518.37	184.22	119.62	48.07	51.07	15.87	-	-	22629.94
Disposals during the year	-	-	-	-	-	214.80	-	-	-	0.13	-	-	-	214.93
Balance as at 31 st March, 2024	28.15	2655.72	1972.99	5231.60	46.34	66541.08	365.20	262.34	245.99	1209.63	63.18	181.28	55.24	78858.74
Balance as at 1 st April, 2024	28.15	2655.72	1972.99	5231.60	46.34	66541.08	365.20	262.34	245.99	1209.63	63.18	181.28	55.24	78858.74
Additions during the year	-	-	1.60	834.03	-	6917.55	8.63	74.45	5.21	6.40	-	-	-	7847.87
Disposals during the year	-	-	-	-	-	2258.84	-	-	1.55	-	-	-	-	2260.39
Balance as at 31 st March, 2025	28.15	2655.72	1974.59	6065.63	46.34	71199.79	373.83	336.79	249.65	1216.03	63.18	181.28	55.24	84446.22
Accumulated depreciation														
Balance as at 1 st April, 2023	-	-	414.74	2055.77	44.02	25888.47	96.39	69.48	141.94	375.75	20.90	58.06	35.10	29200.62
Depreciation expense for the year	-	-	28.48	130.85	-	3199.75	50.15	18.12	38.93	129.13	4.09	10.04	3.21	3612.75
Disposals during the year	-	-	-	-	-	121.84	-	-	-	0.02	-	-	-	121.86
Balance as at 31 st March, 2024	-	-	443.22	2186.62	44.02	28966.38	146.54	87.60	180.87	504.86	24.99	68.10	38.31	32691.51
Balance as at 1 st April, 2024	-	-	443.22	2186.62	44.02	28966.38	146.54	87.60	180.87	504.86	24.99	68.10	38.31	32691.51
Depreciation expense for the year	-	-	32.32	181.69	-	4259.39	58.42	23.85	40.47	132.49	4.32	9.88	3.21	4746.04
Disposals during the year	-	-	-	-	-	2115.89	-	-	1.10	-	-	-	-	2116.99
Balance as at 31 st March, 2025	-	-	475.54	2368.31	44.02	31109.88	204.96	111.45	220.24	637.35	29.31	77.98	41.52	35320.56
Net carrying amount														
Net carrying amount as at 31 st March, 2024	28.15	2655.72	1529.77	3044.98	2.32	37574.70	218.66	174.74	65.12	704.77	38.19	113.18	16.93	46167.23
Net carrying amount as at 31 st March, 2025	28.15	2655.72	1499.05	3697.32	2.32	40089.91	168.87	225.34	29.41	578.68	33.87	103.30	13.72	49125.66

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 3a. Right of use assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	
	Land -Leasehold	Leasehold Buildings
Cost		
Balance as at April 1, 2023	565.78	-
Additions during the year	3.87	161.76
Disposals during the year	-	-
Balance as at March 31, 2024	569.65	161.76
Balance as at April 1, 2024	569.65	161.76
Additions during the year	-	-
Disposals during the year	-	78.82
Balance as at March 31, 2025	569.65	82.94
Accumulated Depreciation		
Balance as at April 1, 2023	15.29	-
Depreciation expense for the year	8.04	43.74
Disposals during the year	-	-
Balance as at March 31, 2024	23.33	43.74
Balance as at April 1, 2024	23.33	43.74
Depreciation expense for the year	8.04	49.77
Disposals during the year	-	38.07
Balance as at March 31, 2025	31.37	55.44
Net carrying amount		
Net carrying amount as at March 31, 2024	546.32	118.02
Net carrying amount as at March 31, 2025	538.28	27.50

- 3.1 Depreciation for the year 2024-25 includes ₹46.82 Lakhs (Previous year ₹46.99 Lakhs) as depreciation arising on revaluation of Fixed Assets.
- 3.2 Fixed Assets are stated at values determined by the valuer less depreciation. Capital Spares are transferred to capital work in progress and are capitalised as and when issued. Direct costs are capitalised till the assets are available to use. These costs also includes financing cost (including exchange rate fluctuations) relating to specific borrowing attributable to Fixed Assets. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are taken out from books of accounts and resultant profit (including capital profit) or loss, if any, is reflected in Statement of Profit & Loss.
- 3.3 The Company has charged depreciation on fixed assets on straight-line basis (SLM) as per their useful life based on past operational experience as certified by the technical staff of the plant. Fixed Assets individually costing up to ₹5,000/- are depreciated 100% in the year of purchase. The intangible assets are being amortised over a period of 5 years.
- 3.4 The Company had revalued its Fixed Assets (other than the 100 TPD Membrane Cell Plant Power Line) as on 31st March, 2004 on the basis of existing use value by an independent professional valuer. The revaluation of assets had been approved by the Board of Directors in its meeting held on 27th October, 2005 and the revalued figures were incorporated in the accounts in the financial year 2005-06. Accordingly a sum of ₹6243.16 Lakhs being the surplus of the value of assets over the written down value, had been credited to the Revaluation Reserve.
- 3.5 The Company had revalued its 100 TPD Membrane Cell Plant Power Line as on 31st March, 2006 on the basis of existing use value by an independent professional valuer. The revaluation of the asset had been approved by the Board of Directors in its

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 3a (contd..)

meeting held on 29th October, 2007 and the revalued figure was incorporated in the accounts in the financial year 2007-08. Accordingly, a sum of ₹27.78 Lakhs being the surplus of the value of the asset over the written down value, had been credited to the Revaluation Reserve.

- 3.6 The Company had revalued its Fixed Assets as on 31st March, 2009 on the basis of existing use value by an independent professional valuer. The revaluation of assets had been approved by the Board of Directors in its meeting held on 29th January, 2010 and the revalued figures were incorporated in the accounts in the financial year 2009-10. Accordingly a sum of ₹4819.99 Lakhs being the surplus of the value of assets over the written down value, had been credited to the Revaluation Reserve.
- 3.7 Addition in leasehold land of ₹3.87 Lakhs and Leasehold - Buildings of ₹161.76 during the financial year 2023-24 represent the present value of right to use of assets of future lease rent calculated in accordance with Ind AS 116 and is being amortised on straight line basis over the remaining term of the lease.
- 3.8 The company has not revalued its Property, Plant & Equipment during the current financial year.
- 3.9 The value of Property, Plant and Equipment also include the capitalized borrowing cost amounting to ₹ Nil (Previous Year ₹298.16 Lakhs) during the period.
- 3.10 The life of Power Plant being second hand machineries with renovation activity has been taken at 22 years for depreciation purposes. The depreciation has been charged at Straight Line Method basis.

Note No. 3b. Other Intangible Assets

(₹ in Lakhs)

Particulars	As at March 31, 2025
	Computer Software
Cost	
Balance as at April 1, 2023	37.93
Addition during the year	-
Deductions during the year	-
Balance as at March 31, 2024	37.93
Balance as at April 1, 2024	37.93
Addition during the year	-
Deductions during the year	-
Balance as at March 31, 2025	37.93
Accumulated Amortisation	
Balance as at April 1, 2023	26.48
Amortisation expense for the year	3.49
Deductions during the year	-
Balance as at March 31, 2024	29.97
Balance as at April 1, 2024	29.97
Amortisation expense for the year	2.66
Deductions during the year	-
Balance as at March 31, 2025	32.63
Net carrying amount as at March 31, 2024	7.96
Net carrying amount as at March 31, 2025	5.30

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 4

CAPITAL WORK IN PROGRESS

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Capital Work-In-Progress	1026.05	4862.55

Capital-work-in progress ageing schedule:

As at March 31, 2025		(₹ in Lakhs)			
Particulars	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					
Pilot Plant Project	103.47	12.13	-	-	115.60
Water Management Project	48.13	-	-	-	48.13
Existing Plant & Machinery	490.83	239.50	77.26	35.70	843.29
Others	8.73	0.55	9.75	-	19.03
Total	651.16	252.18	87.01	35.70	1026.05

As at March 31, 2024	(₹ in Lakhs)				
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Pilot Plant Project	31.28	-	-	-	31.28
Expansion Project II	2809.38	581.01	-	-	3390.39
SBP Project	41.54	723.08	-	-	764.62
Existing Plant & Machinery	316.43	91.41	23.24	25.20	456.28
Aluminium Chloride-II	197.50	-	-	-	197.50
Others	1.52	0.55	19.01	1.40	22.48
Total	3397.65	1396.05	42.25	26.60	4862.55

Note No. 5

NON CURRENT FINANCIAL ASSETS - INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	Face Value Per unit (₹)	As at March 31, 2025		As at March 31, 2024	
		Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
In Associate Company					
Flow Tech Chemicals Pvt. Ltd.	10	373700	5299.81	373700	5299.81
(373700 Unlisted equity Shares of Flow Tech Chemicals Pvt. Ltd. @ ₹1418.20 per share)		373700	5299.81	373700	5299.81

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 5 (contd..)

5.1

The Company has acquired 49% equity stake in Flow Tech Chemicals Pvt. Ltd. (FTCPL) having principal place of business in Rajpura & Nangal, Punjab, India and has accounted for it at cost in line with Ind AS 28 equity method.

As per Share Purchase Agreement dated 14 July, 2021 read with Supplementary Share Purchase Agreement dated 29 September, 2022 with M/s Flow Tech Chemicals Pvt. Ltd., the Company is to acquire 100% equity stake in M/s Flow Tech Chemicals Pvt. Ltd.

5.2

The Company has acquired 49% equity stake as at 31.03.2025 after payment of ₹5299.81 Lakhs. The valuation of investment as 31.03.2025 is done by registered valuer based on estimated profits of the Company. These Financial estimates of the Investee company have been approved by the Board of Directors in their meeting held on 20th May 2025. The Statutory Auditor (appointed for special purpose) of Investee company, have certified these estimates and reasonableness, fairness and consistency of assumptions followed for preparation of these estimates for the next five financial year. Accordingly, an Auditor Report as per Standard of Assurance Engagement [SAE 3400, issued by Institute of Chartered Accountants of India] was issued by said Auditor. As per the Valuation Report issued by the registered valuer based on these estimates duly approved by Board of Directors and certified by Statutory Auditor (appointed as Special Auditor), the valuation on investment in the current financial year exceeds its carrying value, resulting in no impairment provision being provided.

The Company has relied on the Auditor Report issued by the Statutory Auditor (appointed as Special Auditor) of Investee company and valuation report of registered valuer appointed by the company for this valuation purpose. Since no impairment provision has been deemed necessary based on the current valuation, future Changes in Market conditions, expectations in terms of chlorine consumption, or other relevant factor could impact the carrying value of the investment. Therefore, Company shall continue to monitor the investment's performance and reassess its valuation regularly to ensure that it remains reflective of its fair value in accordance with applicable accounting standards.

Note No. 6

NON CURRENT FINANCIAL ASSETS -TRADE RECEIVABLES

Particulars	(₹ in Lakhs)		
		As at March 31, 2025	As at March 31, 2024
Considered Good except where provided for:			
a) Total Receivable considered good- Secured	-		-
b) Total Receivable considered good- Unsecured	-		-
c) Trade Receivable which have significant increase in credit risk	19.50		19.50
d) Trade Receivable- Credit impaired	-		-
Total		19.50	19.50
Less: Allowance for expected credit loss (Debtors over 365 days including legal cases)		19.50	19.50
		-	-

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 6 (contd..)

6.1

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	19.50	19.50
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total	-	-	-	-	19.50	19.50
Less: Allowance for expected credit loss (Debtors over 365 days including legal cases)	-	-	-	-	19.50	19.50
Net Receivables	-	-	-	-	-	-

*The ageing is from invoice date

Note No.7

NON CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	2067.40	2251.82
Bank Deposits having maturity of more than 12 months	122.09	6.10
	2189.49	2257.92

Note No. 8

DEFERRED TAX LIABILITIES/ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets	1477.49	2165.58
Deferred Tax Liabilities	4101.13	3778.69
Deferred Tax (Liabilities)/Assets (Net)	(2623.64)	(1613.11)

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 8 (contd..)

Deferred Tax: The Company has recognized deferred tax in accordance with IND-AS 12. The major elements of Deferred Tax Assets and Liabilities are given below:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	
	Deferred Tax Assets	Deferred Tax Liabilities
Timing difference on:		
Fixed Assets	-	3823.44
Provision for Gratuity	32.77	
Provision for Leave Encashment	163.60	
Provision for Bonus	5.98	
C/F Losses and Depreciation	1091.75	
ROU Assets		102.68
Lease Liability	30.18	
Gratuity Defined Plan Assets (OCI)	153.21	175.01
	1477.49	4101.13
Net Deferred Tax Liabilities	-	(2623.64)

The movement in deferred tax assets during the year is as follows:

(₹ in Lakhs)

Deferred Tax Liabilities:	As at April 1, 2024	During the period		As at March 31, 2025
	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Property, Plant and Equipments	3481.81	341.63	-	3823.44
Right of Use Assets	135.77	(33.09)	-	102.68
Gratuity Defined Plan Assets (OCI)	161.11	-	-	175.01
Total Deferred Tax Liabilities	3778.69	308.54	-	4101.13

(₹ in Lakhs)

Deferred Tax Assets:	As at April 1, 2024	During the period		As at March 31, 2025
	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Provision for Gratuity	32.32	0.45	-	32.77
Provision for Leave Encashment	167.11	(3.51)	-	163.60
Provision for Bonus	5.19	0.79	-	5.98
Gratuity Defined Plan Assets (OCI)	153.21	-	-	153.21
Lease Liabilities	61.80	(31.61)	-	30.18
Carried Forward Losses and Depreciation	1745.95	(654.20)	-	1091.75
Total Deferred Tax Assets	2165.58	(688.08)	-	1477.49
Deferred Tax Liabilities (Net)	1613.11	996.62	-	2623.64

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 8 (contd..)

(₹ in Lakhs)				
	As at April 1, 2023	During the period		As at March 31, 2024
Deferred Tax Liabilities:	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Property, Plant and Equipments	2334.11	1147.70	-	3481.81
Right of Use Assets	-	135.77	-	135.77
Gratuity Defined Plan Assets (OCI)	132.56	-	28.54	161.11
Total Deferred Tax Liabilities	2466.67	1283.47	28.54	3778.69

(₹ in Lakhs)				
	As at April 1, 2023	During the period		As at March 31, 2024
Deferred Tax Assets:	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Provision for Gratuity	12.80	19.52	-	32.32
Provision for Leave Encashment	136.48	30.63	-	167.11
Provision for Bonus	3.73	1.46	-	5.19
Gratuity Defined Plan Assets (OCI)	122.79	-	30.42	153.21
Lease Liabilities	-	61.80	-	61.80
Carried Forward Losses and Depreciation	-	1745.95	-	1745.95
Total Deferred Tax Assets	275.80	1859.35	30.42	2165.58
Deferred Tax Liabilities (Net)	2190.87	(575.88)	(1.88)	1613.11

Note No. 9

OTHER NON CURRENT ASSETS

(₹ in Lakhs)			
Particulars		As at March 31, 2025	As at March 31, 2024
(i) Capital advances		317.65	504.24
(ii) Deferred Expenditure:			
As per last balance sheet	588.06		853.22
Addition during the year	-		22.87
	588.06		876.09
Less: Amortized during the year	304.06		288.03
Closing Balance		284.00	588.06
		601.65	1092.30

9.1 The cost of membranes is being amortized over a period of three years. The cost of recoating of pans of electrolyzers is being amortized over a period of eight years.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 10

INVENTORIES

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Inventory (Valued at lower of cost and net realisable value)		
Raw Materials	1622.81	647.35
Stock in process	329.35	213.70
Finished goods	1004.37	774.11
Stores, Spares and consumables	433.40	591.43
	3389.93	2226.59

10.1. Raw Material includes Steam Coal of ₹949.91 lakh (Previous year ₹84.78 lakh)

Note No. 11

CURRENT FINANCIAL ASSETS -TRADE RECEIVABLES

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Considered Goods except where provided for:		
a) Total Receivable considered good- Secured	3212.70	1943.81
b) Total Receivable considered good- Unsecured	1064.40	1555.82
c) Trade Receivable which have significant increase in credit risk	-	-
d) Trade Receivable- Credit impaired	-	-
	4277.10	3499.63
Out of the above, trade receivables from related parties are as below:		
Trade Receivables from related parties	2.80	110.07

11.1 Trade receivables are interest and non-interest bearing and are generally up to 60 days terms.

11.2 Secured Trade Receivables are secured by way of security deposit.

11.3 The company does not have any unbilled dues which meets the definition of a receivable as per requirements of Ind AS 115 (i.e entity's right to consideration that is unconditional).

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 11 (contd..)

11.4 Ageing of trade receivables

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4243.00	34.10	-	-	-	4277.10
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

*The ageing is from Invoice date

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3461.24	38.39	-	-	-	3499.63
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

*The ageing is from Invoice date

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 12

CURRENT FINANCIAL ASSETS–CASH AND CASH EQUIVALENTS

Particulars		(₹ in Lakhs)	
		As at March 31, 2025	As at March 31, 2024
a) Cash and cash equivalents			
Balance with banks			
Current Account (For Corporate Environment Responsibility)	14.15		44.15
Fixed Deposits with original maturity less than three months	-		-
		14.15	44.15
Cash in hand		2.61	2.98
Total Cash and cash equivalents		16.76	47.13
b) Bank Balances other than Cash and Cash Equivalent			
Bank Deposits with original maturity more than 3 months and less than one year including margin money for letters of credit and bank guarantees.		807.87	90.60

Note No. 13

OTHER CURRENT FINANCIAL ASSETS

Particulars		(₹ in Lakhs)	
		As at March 31, 2025	As at March 31, 2024
(i) Advances other than capital advances			
Advance to Suppliers/Service Providers	1219.98		756.65
Less: Provision for doubtful debts (Others)	588.54		587.36
		631.44	169.29
(ii) Advance to Director or other officer		-	-
(iii) Other advances			
Advance to Employees		1.27	11.97
(iv) Insurance Claim recoverable		9.46	11.53
		642.17	192.79

13.1 The final adjustment of (a) expenses on common facilities with Punjab National Fertilizers & Chemicals Limited (under liquidation) for Railway Siding, Hostel Building, Power Link Line, Land, Tube well, Staff Housing Colony and Storm Water Drain etc., and (b) other expenses, aggregating to ₹574.53 Lakhs (previous year ₹573.34 Lakhs) incurred on behalf of Punjab National Fertilizers & Chemicals Limited shall be made as per the settlement by the Official Liquidator of Punjab National Fertilizers & Chemicals Limited. However, an amount of ₹6.44 Lakhs (previous year ₹5.25 Lakhs) has been provided as doubtful debt during the current year.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 14

OTHER CURRENT ASSETS

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	91.31	75.01
Income Tax recoverable	285.08	-
Advance Income Tax	-	240.00
Other recoverable	243.97	173.76
Income tax claimable	46.84	41.58
GST recoverable	4667.21	3824.03
GST Input Claimable	-	-
Advance against water charges	8.07	8.07
	5342.48	4362.45

Note No. 15

EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Authorised		
350,000,000 Equity Shares of ₹2/- each	7000.00	7000.00
(Previous year 350,000,000 Equity Shares of ₹2/- each)		
Issued		
242,715,730 Equity Shares of ₹2/- each	4854.31	4854.31
(Previous year 242,715,730 Equity Shares of ₹2/- each)		
Subscribed		
242,703,980 Equity Shares of ₹2/- each fully called up (Previous year 242,703,980 Equity Shares of ₹2/- each)	4854.08	4854.08
Paid Up		
242,343,220 Equity Shares of ₹2/- each fully called up (Previous year 242,343,220 Equity Shares of ₹2/- each)	4846.86	4846.86
	4846.86	4846.86

15.1 Reconciliation of number of Equity Shares and amount outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Paid up capital:				
Opening Balance	242343220	4846.86	242343220	4846.86
Changes during the year	-	-	-	-
Closing Balance	242343220	4846.86	242343220	4846.86

15.2 Rights, preferences and restrictions attached to the equity shareholders: The Company has one class of equity shares having par value of ₹2/- per share. Each shareholder is eligible for one vote per equity share held. All equity shares rank equally with regard to dividends as declared from time to time. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 15 (contd..)

15.3 Shareholding of Promoter

Shares held by promoters at the end of the year

S. No.	Promoter Name	As at March 31, 2025		As at March 31, 2024		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Sh. Sukhbir Singh Dahiya	25278015	10.43	25278015	10.43	-
2	Sh. Jagbir Singh Ahlawat	15500100	6.40	15500100	6.40	-
3	Smt. Parerna Ahlawat	11068925	4.56	11068925	4.56	-
4	Sh. Jatin Dahiya	5482535	2.26	5482535	2.26	-
5	Sh. Mayank Ahlawat	-	-	-	-	-
6	Smt. Dayawati Dahiya	3560170	1.47	3560170	1.47	-
7	Smt. Garima Singh	1100000	0.45	1100000	0.45	-
8	M/s Flowtech Industrial Projects Pvt. Ltd.	9626710	3.97	9626710	3.97	-
9	M/s Flow Tech Chemicals Pvt. Ltd.	-	-	-	-	-
10	M/s Himalaya Alkalies & Chemicals Limited	2604390	1.07	2604390	1.07	-
11	M/s Tara Mercantile Pvt. Ltd.	1761985	0.73	1761985	0.73	-
12	M/s Advance Chemicals*	-	-	-	-	-
Total		75982830	31.35	75982830	31.35	-

*M/s. Advance Chemicals (holding Nil Shares) has been reclassified from "Promoter group" category to "Public" category vide BSE Limited approval letter dated 16.01.2025 as per the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015 and accordingly, was not a promoter as on 31.03.2025.

15.4 Details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	% age	No. of shares held	% age
Sh. Naveen Chopra	42500000	17.54	42500000	17.54
M/s Durva Infratech LLP	37500000	15.47	37500000	15.47
Sh. Sukhbir Singh Dahiya	25278015	10.43	25278015	10.43
Sh. Jagbir Singh Ahlawat	15500100	6.40	15500100	6.40
M/s Plutus Wealth Management LLP	-	-	12400000	5.12

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 16

OTHER EQUITY

(₹ in Lakhs)			
Particulars		As at March 31, 2025	As at March 31, 2024
Capital Reserve			
Land Subsidy		5.49	5.49
Shares Forfeited Reserve Account		10.65	10.65
Revaluation Reserve			
As per last balance sheet	3467.09		3515.71
Less: Adjusted in respect of Assets sold/ discarded	14.42		1.63
Less: Depreciation & Amortization	46.82		46.99
		3405.85	3467.09
Securities Premium			
As per last Balance Sheet	16025.58		16025.58
Add: Addition during the year	-		-
		16025.58	16025.58
Other Comprehensive Income			
As per last Balance Sheet	14.69		23.79
Add: Addition during the year	25.89		(9.10)
		40.58	14.69
STATEMENT OF PROFIT AND LOSS			
As per last Balance Sheet	13689.98		16228.81
Add: Depreciation on revalued assets	46.82		46.99
Add: Transferred from statement of Profit and Loss	235.21		(2585.82)
		13972.01	13689.98
		33460.16	33213.48

Note No. 17

NON CURRENT LIABILITIES- BORROWINGS

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Term Loans & Vehicle Loans		
1. Kotak Mahindra Bank Ltd. (Material Handling Equipment)	16.63	54.18
(Secured by way of hypothecation of Material Handling Equipment)		
2. AU Small Finance Bank Limited TL (Expansion Project)	2710.88	3330.15
(Secured by way of First Exclusive Charge on Plant & Machinery of Caustic Soda Plant Capacity Expansion & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Pari-passu Charge under Joint Negative Lien on the immovable property situated in Sector 31-A, Chandigarh and First Charge on Pari-passu basis on existing other Plant & Machinery and other present and future Current Assets of the company). Repayment Tenor: Repayable in 72 equal Monthly Installments.		

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 17 (contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
3. HDFC Bank Ltd TL (SBP Plant)	1875.00	2375.00
(Secured by way of First Exclusive Charge on Plant & Machinery of SBP Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of Caustic Soda Plant Capacity expansion already hypothecated with AU small Finance Bank Limited) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 66 equal Monthly Installments.		
4. HDFC Bank Ltd TL (Capex)	1878.15	2379.00
(Secured by way of First Exclusive Charge on Plant & Machinery of SBP Plant and Flaker Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of Caustic Soda Plant Capacity Expansion Project already hypothecated with AU small Finance Bank Limited) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 72 equal Monthly Installments.		
5. HDFC Bank Ltd TL (Flaker Plant)	2169.18	2634.00
(Secured by way of First Exclusive Charge on Plant & Machinery of Flaker Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of (i) Caustic Soda Plant Capacity Expansion Project already hypothecated with AU small Finance Bank Limited, (ii) SBP Plant already hypothecated with HDFC Bank Limited and (iii) Aluminum Chloride Plant already hypothecated with Punjab National Bank) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 78 equal Monthly Installments.		
6. Punjab National Bank (Aluminium Chloride Plant)	1864.04	2,430.71
(Secured by way of First Exclusive Charge on Plant & Machinery of Aluminum Chloride Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of (i) Caustic Soda Plant Capacity Expansion Project already hypothecated with AU small Finance Bank Limited and (ii) SBP Plant & Flaker Plant already hypothecated with HDFC Bank Limited) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 72 equal Monthly Installments.		
7. Punjab National Bank (Car Loan)		
(Secured by way of hypothecation of Vehicles): Repayable in 84 equal Monthly Installments.	99.90	123.98
8. HDFC Bank (Corporate Office Building)	186.05	-
(Secured by way of First Charge on Commercial Plot Nos. 46 to 50 admeasuring 722.085 Sq. Yards at Sector 31-A, Chandigarh subject to First Pari-passu Charge under Joint Negative Lien on the immovable property situated in Sector 31-A, Chandigarh in favour of AU Small Finance Bank Limited. Repayment Tenor: Repayable in 28 equal Quarterly Installments.		
	10799.83	13327.02

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 17 (contd..)

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Less: Short term maturity of Term loan/vehicle loan within 1 year transferred to Short term borrowing.	2802.00	2712.21
	7997.83	10614.81

NOTE:- Loans mentioned from point no.1 to 8 are further secured by way of personal guarantee(s) of the Chairman and Managing Director of the company.

Note No. 18

NON CURRENT LIABILITIES- LEASE LIABILITY

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liability	86.37	176.86
Less: Short term maturity of Lease liability within 1 year transferred to Short term borrowing.	36.96	66.80
	49.41	110.06

18.1 Maturity analysis of lease liability

Maturity analysis – contractual undiscounted cash flows	As at March 31, 2025	As at March 31, 2024
Less than one year	36.96	66.80
One to five years	22.41	94.67
More than five years	484.69	491.69

18.2 Amounts recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2025	As at March 31, 2024
Interest on lease liabilities (included in Finance Cost)	15.19	15.52
Expenses relating to short-term leases	3.60	3.84
Total amount recognised in Profit and Loss for leases	18.79	19.36

Note No. 19

NON CURRENT LIABILITIES – PROVISIONS

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits*		
Gratuity	93.79	92.48
Leave Encashment	428.39	416.28
	522.18	508.76

* The Company's liabilities towards leave encashment and gratuity are determined by an independent actuary, using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 19 (contd..)

is determined by reference to the market yields at the Balance Sheet date on Government Bonds. Actuarial gains and losses are recognised immediately in the Statement of Profit & Loss as income or expense and other comprehensive income as per Ind-AS 19. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Note No. 20

CURRENT LIABILITIES-BORROWINGS

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Short term maturity of Term loan within 1 year - Refer Note No.17	2802.00	2712.21
Bills Discounting	51.91	-
Buyer's Credit (Foreign Currency loan)	920.13	-
Cash Credit (AU Small Finance Bank Limited-secured)	1982.80	1728.83
Cash Credit (HDFC Bank Limited-secured)	788.36	1736.88
HDFC Corporate and Purchase cards (Unsecured)	62.68	-
Cash Credit (Punjab National Bank - Secured)	998.77	853.44
HDFC BANK WCDL	1200.00	-
	8806.65	7031.36

20.1 Cash Credit Limits from HDFC Bank Limited, AU Small Finance Bank Limited and Punjab National Bank are / will be secured by (i) first Pari passu charge by way of hypothecation on present and future current assets of the Company, (ii) First Charge on Plant and machinery of (a) Caustic Soda Plant Capacity Expansion Project in case of AU Small Finance Bank Limited, (b) SBP Plant and Flaker Plant in case of HDFC Bank limited and (c) Aluminum Chloride Plant in case of Punjab National Bank, (iii) First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab), (iv) Personal Guarantees of Chairman and Managing Director and (v) First Pari-passu Charge under Joint Negative Lien in case of AU Small Finance Bank Limited on the immovable property situated in Sector 31-A, Chandigarh.

20.2 Buyer Credit loan are secured by way of lien on non-funds based working Capital Limits.

Note No. 21

CURRENT FINANCIAL LIABILITIES-TRADE PAYABLE

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Creditors		
Total outstanding dues of Micro & Small Enterprises	1173.05	455.43
Total outstanding dues of creditors other than Micro & Small Enterprises	5202.03	2620.42
	6375.08	3075.85

21.1 Amount due to MSME has been determined to the extent such parties have been identified on the basis of information provided by the parties.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 21 (contd..)

21.2 Trade Payables ageing schedule

As at March 31, 2025					(₹ in Lakhs)
Particulars	Outstanding for following periods*				Total
	Less than 1 year	1--2 years	2-3 years	More than 3 years	
(i) MSME **	2150.02	2.00	-	-	2152.02
(ii) Others	4093.52	43.62	13.96	38.42	4189.52
(iii) Disputed dues – MSME **	-	-	18.20	15.34	33.54
(iv) Disputed dues - Others	-	-	-	-	-

As at March 31, 2024					(₹ in Lakhs)
Particulars	Outstanding for following periods*				Total
	Less than 1 year	1--2 years	2-3 years	More than 3 years	
(i) MSME **	421.89	-	-	-	421.89
(ii) Others	2471.55	122.14	7.06	19.67	2620.42
(iii) Disputed dues – MSME **	-	18.20	0.09	15.25	33.54
(iv) Disputed dues - Others	-	-	-	-	-

*The ageing is from invoice date

** Payment is not payable because of applicable liquidated damages, security, retention on account of performance as per terms of contract and non payment of statutory liabilities by respective parties.

Micromeg Enterprises Pvt Ltd has made an application to Micro and Small enterprises Facilitation Council. The amount claimed by party is not payable because of delay in supply, commissioning and other related issues.

The company has filed a suit for recovery against M/s HEM Marketing Services, Baroda on 13.03.2024 as amount is recoverable from the party on account of Liquidated Damages and loss suffered by the company due to un-resolved various issues pertaining to the Material Handling System for SBP Plant.

Note No. 22

OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
	(₹ in Lakhs)	(₹ in Lakhs)
Creditors for capital goods	599.10	1818.17
Interest accrued but not due	76.74	88.27
	675.84	1906.44

Note No. 23

OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
	(₹ in Lakhs)	(₹ in Lakhs)
Other Liabilities		
Statutory Liabilities	198.95	443.68
Expenses payable	826.72	2542.76
Other Liabilities	6574.73	4541.39
Advances from Customers	177.24	179.14
	7777.64	7706.97

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 23 (contd..)

23.1 Expense payable includes ₹625.42 Lakhs (previous year ₹2332.88 Lakhs) payable to PSPCL towards power bill.

23.2 Other Liabilities includes mainly Security Payable to Debtors ₹5322.65 Lakhs (Previous year ₹3998.65 Lakhs)

Note No. 24

CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
a) Provision for Employee Benefits		
Leave Encashment	39.78	61.95
Bonus	17.11	14.85
	56.89	76.80
b) Net Current Tax Liability		
Provision for taxation	279.69	-
Less: Advance Tax Paid	218.78	-
	60.91	-

24.1 The Company's liabilities towards leave encashment and gratuity are determined by an independent actuary, using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds. Actuarial gains and losses are recognised immediately in the Statement of Profit & Loss as income or expense and other comprehensive income as per Ind-AS 19. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Note No. 25

CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
a) Letters of Credit Outstanding (Letters of Credit includes Foreign Letters of credit (FLC) of ₹567.54 lakhs (Previous year : Nil)	912.54 (USD - 638551.20, EURO - Nil)	56.84 (USD - Nil, EURO - Nil)
b) Bank Guarantees given by Company	294.50	80.88
c) Estimated amounts of contracts remaining to be executed on capital account and not provided for	2228.11	2695.28
d) Additional Liability (with interest of ₹5.70 Lakhs (Previous Year - ₹33.03 lakhs) on account of Income Tax Assessments for the Past Assessment Years against which company has filed appeals. No provision has been made for the interest amount. (see note 25.2 and 25.3 below)	51.11	387.51
e) Liability towards legal case PACL vs Tarsem Singh Rana (Gurmeet Oil Carrier) (see note 25.2 and 25.3 below) (Company's appeal in Delhi High Court is pending - Judgement and Decree stayed)	12.84	12.84

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 25 (contd..)

25.1 Continuity Bond amounting to ₹379.70 Crores (Previous year - ₹363.41 Crores) was executed in favour of custom authorities against which request for cancellation of the bonds had been submitted and acknowledgement of the same has been received from Custom Authorities.

25.2 Pending resolution of the respective proceedings, it is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

25.3 The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Note No. 26

REVENUE FROM OPERATIONS

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations		
Revenue from Sales of Goods	53357.65	39686.77
Revenue from trading sales	2198.16	11.25
	55555.81	39698.02

26.1 Disaggregation of the revenue Information

Revenue is disaggregated by geographical market, major products / service lines and timing of revenue recognition as follows

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Geographical markets		
- India	55555.81	39698.02
Major Product / Services lines		
Manufactured goods:		
Caustic Soda Lye	36080.10	34302.74
Caustic Soda Flakes	12821.37	2502.50
Liquid Chlorine	436.11	411.99
Hydrochloric Acid	539.80	774.83
Hydrogen Gas	788.82	630.48
Sodium Hypochlorite	764.35	663.17
Stable Bleaching Powder	672.03	324.64
Aluminium Chloride	1255.08	76.42
Other (Trading Sale)	2198.16	11.25
Total revenue from operations	55555.81	39698.02

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 26 (contd..)

26.2 The Company classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer. Trade receivable are presented net of impairment in the Balance Sheet.

26.3 Revenue recognised from Contract liability (Advances from Customers):

The Contract liability outstanding at the beginning of the year was ₹179.14 Lakhs (Previous year ₹209.65 Lakhs), out of which ₹131.20 Lakhs (Previous year 116.64 Lakhs) has been recognised as revenue during the year ended 31st March 2025.

26.4 Information about major customers

Revenues arising from sales to the company's single large customer is ₹6217.33 Lakhs (Previous Year ₹5377.58 Lakhs). Revenue from second largest customer which also contributed more than 10% of revenue was ₹5516.22 Lakhs. (Previous Year ₹4939.76 Lakhs). No other single customers contributed 10% or more to the Company's revenue during the current year. However, revenue from third largest customer who contributed more than 10% of revenue was ₹4844.68 Lakhs during previous financial year.

Note No. 26a

OTHER INCOME

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Other Income:		
Interest received	167.65	179.55
Scrap sales	98.28	168.77
Goods & Service Tax Incentives	1387.23	1065.33
Misc. Income	57.79	77.97
Excess provision written back	305.11	398.62
Profit on sale of fixed assets	72.81	51.90
	2088.87	1942.14

Note No. 27

COST OF MATERIALS CONSUMED

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock	647.35	776.31
Add: Purchases	11104.30	7875.49
Less: Sale of Raw Materials	-	-
Less: Closing Stock	1622.81	647.35
Cost of Materials consumed	10128.84	8004.45

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 27 (contd..)

Materials Consumed Comprises of:

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salt	7144.79	6443.84
Aluminium Ingots	1436.01	496.20
Soda Ash	201.04	174.26
Barium Carbonate	602.66	360.42
Sulphuric Acid	168.72	125.81
Hydrated Lime	459.39	237.87
Others	116.23	166.05
Total	10128.84	8004.45

27.1 Consumption of above is as per actual material consumed.

Note No. 28

CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Closing Stocks		
Finished Goods	1004.37	774.11
Stock in Process	329.35	213.70
Stock-in-trade	-	-
	1333.72	987.81
Less: Opening Stocks		
Finished Goods	774.11	597.80
Stock in Process	213.70	31.31
Stock-in-trade	-	10.11
	987.81	639.22
Increase/(Decrease) in Stock	345.91	348.59

Note No. 29

MANUFACTURING EXPENSES

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Power, Fuel & Utilities	20688.20	19513.52
Steam Coal Consumption	2577.90	41.75
Packing Material	343.82	103.49
Total	23609.92	19658.76

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 30

EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages & Bonus	2774.44	2574.09
Directors Remuneration	905.48	908.66
Contribution to Provident, Superannuation & Gratuity funds	293.42	279.81
Staff Welfare, Recruitment & Training Expenses	110.92	106.91
Labour Charges	944.91	497.37
Total	5029.17	4366.84

Note No. 31

FINANCE COST

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest and Charges:		
Term Loans	1180.34	1068.40
Cash Credit	518.74	277.15
Interest on Advance Consumption Deposit PSPCL	-	2.68
Interest on lease liabilities	15.19	15.52
Security Deposits/Others	586.53	456.82
Total	2300.80	1820.57

Note No. 32

OTHER EXPENSES

(₹ in Lakhs)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Railway Siding Operations		62.39	5.28
Stores & Spares consumed		508.16	588.64
Repair & Maintenance			
Plant & Machinery	268.73		300.21
Building	32.68		62.58
Others	25.21		46.82
		326.62	409.61
Board Meeting Expenses		76.69	83.00
Travelling & Conveyance			
Directors	19.97		26.76
Others	94.43		120.23
		114.40	146.99

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 32 (contd..)

OTHER EXPENSES

(₹ in Lakhs)			
Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Statutory Auditors Remuneration			
Audit Fees	4.50		4.00
Tax Audit Fees*	0.35		0.35
Other Services	-		-
Out of Pocket Expenses	-		-
		4.85	4.35
Legal & Professional Charges		192.05	239.99
Insurance		92.81	111.28
Printing & Stationery		28.55	27.17
Postage & Telephone		22.11	26.95
Electricity & Water Charges		15.92	9.78
Rent, Rates & Taxes		96.36	88.60
Pollution Control Expenses		67.47	59.48
CER Expenses		30.00	80.00
CSR Expenses		-	183.55
Miscellaneous Expenses		157.19	590.32
Short term lease payments		3.60	3.84
Loss on sale of Assets		-	0.11
Doubtful Debts Others		1.19	5.25
Advertisement		11.19	5.59
Freight, Cartage & Handling		2519.90	2213.37
Business Promotion		34.97	36.98
Discounts & Commission		606.97	525.53
Chlorine disposal charges		3182.48	1787.82
Bad debts		-	89.85
Total		8155.87	7323.33

Note No. 33 Debit & Credit balances of parties are subject to their confirmation.

Note No. 34 Legal action had been initiated against customers from whom a total sum of ₹19.50 Lakhs (Previous Year ₹19.50 Lakhs) is due as the balance of the principal value of goods supplied.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 35

Income Tax:

Income tax expense in the statement of profit and loss consists of:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current income tax	279.69	-
Adjustments of tax related to earlier years	-	19.19
Deferred tax	996.63	(575.88)
Income tax expense recognised in the statement of profit and loss	1276.32	(556.69)
Deferred tax arising on income and expense recognised in other comprehensive income		
Remeasurement of defined benefit plan	13.91	(1.88)

The reconciliation between the provision of income tax and amounts as computed as per computation of income tax is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (Loss) before tax	1511.53	(3142.51)
Enacted income tax rate in India	34.944%	34.944%
Computed expected tax expense*	279.69	-
Effect of:		
Temporary difference of depreciation expense	341.63	1147.70
Temporary difference of Right of Use Assets	(33.09)	135.77
Effect of Non-deductible expenses/income	2.27	(51.61)
Carried forward loss	654.20	(1746.04)
MAT Credit	-	-
Lease Liabilities	31.61	(61.80)
Others	-	-
Prior Period Tax	-	19.19
Income tax expense recognised in the statement of profit and loss	1276.32	(556.69)

* Computed tax expenses has been calculated @18.50% under MAT u/s 115 JB.

Note No. 36

Earning Per Share (EPS)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (Loss) for the year for basic EPS (₹ in Lakhs)	235.21	(2585.82)
Weighted average number of Ordinary (Equity) Shares of ₹2/- each	242343220	242343220
Basic Earning per share of ₹2/- each (₹)	0.10	(1.07)
Diluted Earning per share of ₹2/- each (₹)	0.10	(1.07)

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 37

Employee Defined Benefits:

Gratuity

The Company is having payment of gratuity plan through gratuity trust.. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Asset Volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement benefit obligation is sensitive to inflation and accordingly, an increase in inflation rate would increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Defined Benefit Plans-as per Actuarial Valuation as on March 31, 2025

(₹ in Lakhs)

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Expense Recognised in the Profit & Loss Statement for the year	49.11	44.50	60.53	65.05
Present Value of Defined Benefit Obligation as at 31 st March, 2025	877.64	911.99	468.17	478.23

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 37 (contd..)

(₹ in Lakhs)

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Amounts recognised in profit or loss				
Current service cost	45.89	42.92	31.89	28.91
Expected Return on Plan Assets	(54.75)	(62.42)	-	-
Net interest expense	57.97	64.00	30.78	31.75
Total	49.11	44.50	62.67	60.66
Amount of recovery for employees on deputation	-	(3.60)	-	(2.28)
Net Actuarial Losses/(Gains)	-	-	(2.15)	4.40
Total amount included in employee benefits expense	49.11	40.90	60.53	62.78
Amounts recognised in other comprehensive income				
Beginning of period	(22.58)	(33.56)	-	-
Remeasurement (gains)/ losses:				
a) Actuarial (gains)/ losses arising from changes in				
– demographic assumptions	-	-	-	-
– financial assumptions	10.92	10.67	-	-
– experience adjustments	(47.13)	(8.22)	-	-
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(3.59)	8.53	-	-
Total remeasurement recognised in OCI	(39.80)	10.98	-	-
Total amount recognised in other comprehensive income end of period	(62.37)	(22.58)	-	-
Changes in the defined benefit obligation				
Opening defined benefit obligation	911.99	966.98	478.24	468.70
Current service cost	45.90	42.92	31.89	28.91
Past service cost	-	-	-	-
Interest expense	57.97	64.00	30.78	31.75
Remeasurements (gains)/ losses	(36.21)	2.45	(2.15)	4.40
Benefits paid	(102.00)	(164.36)	(70.60)	(55.52)
Closing defined benefit obligation	877.64	911.99	468.17	478.23
Changes in fair value of plan assets				
Opening fair value of plan assets	819.51	923.04	-	-
Interest income	54.75	62.41	-	-
Return on plan assets excluding interest income				
Contributions by employer	8.00	6.95	-	-
Benefits paid	(102.00)	(164.36)	-	-
Actuarial Gain/(Losses)	3.58	(8.53)	-	-
Closing fair value of plan assets	783.86	819.51	-	-

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 37 (contd..)

(₹ in Lakhs)

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Net defined benefit obligation				
Defined benefit obligation	877.64	911.99	468.17	478.23
Fair value of plan assets	783.86	819.51	-	-
Surplus/(Deficit)	93.79	92.48	468.17	478.23
Current portion of the above	-	-	39.78	61.95
Non current portion of the above	93.79	92.48	428.39	416.28
Liability recognised in B/S	93.79	92.48	468.17	478.23
Funding of Plan Assets as a percentage of total Plan Actuarial Assumptions	86.11% with LIC	86.11% with LIC	Unfunded	Unfunded
- Discount Rate	6.70%	6.95%	6.70%	6.95%
- Expected rate of return on Plan Assets	6.70%	6.95%	-	-
- In-service Mortality	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)
- Attrition Rate	1% to 2%	1% to 2%	1% to 2%	1% to 2%
- Salary Rise	3.00%	3.00%	3.00%	3.00%
- Remaining Working life	14 Years	14 Years	14 Years	14 Years

Sensitivity analysis

(Amount in ₹)

	Gratuity		Leave Encashment	
	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
Defined Benefit Obligation (Base)		87764343		46817017
	Decrease	Increase	Decrease	Increase
Discount Rate	90035050	85607639	48294876	45423519
Impact of increase/decrease in 50 bps on DBO	2.59%	(2.46)%	3.16%	(2.98)%
Salary Growth Rate	85609563	89987809	45368118	48341992
Impact of increase/decrease in 50 bps on DBO	(2.46)%	2.53%	(3.09)%	3.26%
Expected Cash Flows		31-Mar-25		31-Mar-25
Year 1		10189484		3978100
Year 2		12316419		4937863
Year 3		12706387		5266564
Year 4		16226034		7065092
Year 5		6786528		4163837
Year 6 to 10		44268223		24615356

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 38

Financial instruments by category

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Financial Assets		
Measured at fair value through Other Comprehensive Income (FVTOCI)	-	-
Measured at fair value through P&L (FVTPL)	-	-
Measured at amortised cost		
Investment in associate	5299.81	5299.81
Trade receivables	4277.10	3499.63
Cash and Cash Equivalents	16.76	47.13
Bank Balances other than above	807.87	90.60
Other Financial Assets	2831.66	2450.71
(b) Financial Liabilities :		
Measured at amortised cost		
Borrowings	16804.48	17646.17
Trade Payables	6375.08	3075.85
Lease Liabilities	86.37	176.86
Other financial liabilities	675.84	1906.44

Note No. 39

Corporate Social Responsibility

Corporate Social Responsibility: In accordance with section 135 (5) of the Companies Act, 2013, a Company, meeting the Corporate Social Responsibility (CSR) applicability criteria, needs to spend in every financial year, at least 2% of its average net profits made during the three immediately preceding financial years in pursuance of its CSR Policy. Since the company do not meets the CSR applicability criteria mentioned under section 135(1) and accordingly no requirement to spend minimum 2% of its average net profits during the FY 2024-25. However, the company during the year FY 2024-25 has voluntarily spent CSR amount of ₹34.41 Lakhs on routine CSR activities which will be set off during next financial years in pursuance of CSR Rules.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amount required to be spent by the company during the year	-	183.44
Amount of expenditure incurred	34.41	183.55
Short fall at the end of the year	-	-
Total of previous year's shortfall	-	-
Reason for shortfall	-	-

Nature of CSR Activities

	Year ended March 31, 2025	Year ended March 31, 2024
Nature of CSR Activities	For Plantation and Neighbourhood Development, Ensuring Animal Welfare, Making Available Safe Drinking Water Near Local Area, Promoting Education, Promotion of Healthcare including Preventive Health care.	For Plantation and Neighbourhood Development, Ensuring Animal Welfare, Making Available Safe Drinking Water Near Local Area, Promoting Education / Vocational Skills, Contribution For Sports, Promotion of Healthcare including Preventive Health care, Hygiene Improvement, Empowering women

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 40

Related Party Disclosures:

a) Names of related Parties and description of relationships, having transactions during the year

1) Significant Interest Entities: NA

2) Associates-Flow Tech chemicals Private Limited

3) Key Managerial Personnel

Shri Naveen Chopra, Managing Director

Shri Jatin Dahiya, Executive Director

Shri Arun Kumar Kaushal, Chief Financial Officer (Upto 30.06.2024)

Smt. Sugandha Kukreja, Company Secretary & CHRO

Shri Sunil Parsad, Chief Financial Officer (w.e.f. 01.07.2024)

4) Related Parties where Common Director

M/s Prayag Chemicals Pvt. Ltd.

M/s V S Polymers Pvt. Ltd.

M/s Shahenshah Chemicals

5) Shareholders with more than 10% shareholding

M/s Durva Infratech LLP.

b) Volume of transaction with related parties

Key management personnel compensation	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	1032.46	978.16
Post-employment benefits	25.91	37.47
Other long-term benefits	-	-

The post-employment benefits expense is computed based on actuarial valuation.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Other related party transactions:

(a) Transactions with related parties:

Nature of Transactions	For the Year ended March 31, 2025						For the Year ended March 31, 2024						(₹ in Lakhs)
	Key management personnel	Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals	Key management personnel	Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals	
Remuneration paid to Sh. Naveen Chopra, Managing Director	650.63	-	-	-	-	-	603.99	-	-	-	-	-	-
Remuneration paid to Sh. Jatin Dahiya, Executive Director	330.06	-	-	-	-	-	320.62	-	-	-	-	-	-
Remuneration paid to Sh. Arun Kumar Kaushal, CFO (upto 30.06.24)	16.35	-	-	-	-	-	26.99	-	-	-	-	-	-
Remuneration paid to Smt. Sugandha Kukreja, CS & CHRO	35.42	-	-	-	-	-	26.56	-	-	-	-	-	-
Remuneration paid to Sh. Sunil Parsad, CFO (w.e.f. 01.07.2024)	19.65	-	-	-	-	-	-	76.23	9.46	27.46	-	-	-
Sale of Goods & Services	-	1817.30	173.98	22.88	-	278.29	-	(0.50)	-	-	303.19	-	-
Purchase of Goods/ Capital Goods & Services	-	-	-	-	1062.00	-	-	-	-	-	-	-	-
Other:													
Other Income	-	17.43	-	-	-	-	-	12.05	-	-	-	-	-
Chlorine disposal charges / handling charges	-	1911.07	178.16	366.64	-	-	-	1107.57	105.00	209.67	-	-	-
Chlorine tonner rent	-	-	10.15	-	-	-	-	79.10	1.23	0.20	-	-	-
Recovery under Employee benefits	-	-	-	-	-	-	-	1.40	-	-	0.07	-	-
Lease Rent	-	0.50	3.60	-	-	-	-	0.50	3.60	-	-	-	-
Recovery of reimbursible expenses	-	-	-	-	-	-	-	16.12	-	-	8.26	-	-
Total	1052.11	3746.30	365.89	389.52	1062.00	278.29	978.16	1292.47	130.82	237.33	311.52	-	-

*Including Perquisites

(b) Balance outstanding as at the year end

Nature of Outstanding	For the Year ended March 31, 2025						For the Year ended March 31, 2024						(₹ in Lakhs)
	Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals		Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals		
Trade receivables	-	-	-	-	2.80	-	110.07	-	-	-	-	-	-
Trade payables	(138.21)	(78.50)	(178.86)	(87.00)	-	-	-	(2.30)	(2.80)	(1193.80)	-	-	-

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/ payment or sale/purchase of goods or services.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 41

A total of 2416 chlorine tonners (including rented tonners) were in circulation with various customers as returnable empties as on 31.03.2025.

Note No. 42

Additional Regulatory Information pursuant to the requirement in Division II Schedule III of Companies Act, 2013 are as follows:

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company has not been declared wilful defaulter by any bank or financial institution.
- c) The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- d) All the title deeds of Immovable Properties are held in the name of the company except leased properties.
- e) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- f) The company has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and the related parties either severally or jointly with any other person, that are:
 - (a) repayable on demand; or
 - (b) without specifying any terms or period of repayment;"
- g) Compliance with number of layers of companies: This is not applicable

h) Utilisation of borrowed funds & Share Premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the company (ultimate beneficiaries). The company has not received any fund from any party(s) (funding party) with the understanding whether, directly or indirectly lend or invest in other persons or entities identify by on or behalf of the company (ultimate beneficiaries) or provide any guarantee , security or the like on behalf of ultimate beneficiaries.

i) Disclosure for Struck off Companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ in Lakhs)				
Name of struck off Company	Nature of transactions with struck-off Company	Balances as at March 31, 2025	Balances as at March 31, 2024	Relationship with the struck-off Company
	Sale of Goods	-	-	-
	Purchase of Goods and receiving of services	-	-	-
	Receiving of Services	-	-	-
Other Entities (I)	Subscription to Equity Shares	0.13	0.13	Equity Shareholder

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 42 (contd..)

Details of other struck off entities holding equity shares in the Company is as below:

Name of Struck off Company	No. of Shares held	Paid-up (In ₹)
	As at March 31, 2025	As at March 31, 2025
Precto Mech-Tech Private Limited	1500	3000
Vaishak Shares Limited	60	120
Niranjan Singh Kartar Singh Forges Pvt Ltd (Niranjan Singh Kartar Singh Forgings Pvt. Ltd. as per MCA records)	1250	2500
Translink Investments Private Ltd	500	1000
Vinco Holdings & Finance Pvt Ltd	500	1000
Ranbros Pvt Ltd (Heavymetal Manufacturing Company Pvt. Ltd. as per MCA records)	2500	5000
Total	6310	12620

- j) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- k) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note No. 43

Information relating to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) The principal amount and the interest due thereon is ₹22.31 lacs (Previous year : Nil) remaining unpaid to any supplier as at the end of each accounting year;	1026.17	-
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	40.38	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	62.69	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	62.69	-

Note No. 44

Financial Risk Management

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 44 (contd..)

Financial guarantees: The Company is exposed to credit risk in relation to guarantees given to bank. The company's maximum exposure in this regard is ₹2.95 Crores, which is the maximum amount company would have to pay if the guarantee is called upon. Further the company has given bond of ₹379.70 Crores to Custom Authorities against which the liability of custom duty has since been paid. The continuity bond after cancellation is awaited from Custom Authorities.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customer and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding account receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates also has influence on credit risk assessment. The company has taken dealer securities which are considered in determination of expected carried losses, where applicable. The company makes an allowance for doubtful trade receivable using the simplified approach for expected credit loss and by continuously monitoring the recoverability of receivable balances.

The Company primarily has exposure from following types of customers:

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Dealers	3749.88	3132.86
Government Customer	235.93	71.75
Direct Customers	291.29	295.02
Total	4277.10	3499.63

The receivables of ₹3212.70 Lakhs (Previous year ₹1943.81 Lakhs) are secured by security deposits.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty. The company also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years. The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

	(₹ in Lakhs)	
	Trade receivables	
Provision as at April 1, 2023		109.35
Provision made during the year 2023-24		-
Written off/(written back) during the year 2023-2024		89.85
Provision as at March 31, 2024		19.50
Provision as at April 1, 2024		19.50
Provision made during the year 2024-25		-
Written off/(written back) during the year 2024-25		-
Provision as at March 31, 2025		19.50

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 44 (contd..)

Investments

The company limits its exposure to credit risk by generally investing in liquid securities and only with counter parties that have a good credit rating. The company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also the company is utilising cash credit limits (Fund Based and Non Fund Based) of ₹75 Crore sanctioned by banks from time to time as and when required.

Contractual Maturities of financial liabilities

(₹ in Lakhs)

As at March 31, 2025	Carrying Amount	Up to 1 year	Between 1 year to 5 year	Over 5 years	Total
Borrowing	16741.81	8743.98	7949.60	48.23	16741.81
Trade Payables	6375.08	6374.73	-	-	6375.08
Lease liabilities	86.37	29.59	-3.03	59.81	86.37
Other financial liabilities	675.84	675.84	-	-	675.84
Total liabilities	23879.10	15824.49	7946.57	108.04	23879.10

(₹ in Lakhs)

As at March 31, 2024	Carrying Amount	Up to 1 year	Between 1 year to 5 year	Over 5 years	Total
Borrowing	17646.17	7031.35	10614.81	-	17646.17
Trade Payables	3075.85	3075.85	-	-	3075.85
Lease liabilities	176.86	51.39	65.27	60.20	176.86
Other financial liabilities	1906.44	1906.44	-	-	1906.44
Total liabilities	22805.32	12065.03	10680.08	60.20	22805.32

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7.

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Opening balance as on April 1, 2023	14425.22	-	95.97	49.10
Add: Additions during the year	4370.22	4319.15	88.27	181.16
Less: Repayments during the year	5468.41	-	95.97	53.40
Add/(Less): Foreign exchange fluctuation (gain)/loss	-	-	-	-
Less: Derecognition during the year	-	-	-	-
Add/(Less): Amortisation impact on borrowings	-	-	-	-
Closing balance as on March 31, 2024	13327.03	4319.15	88.27	176.86

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 44 (contd..)

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Add: Additions during the year	192.94	1916.31	76.76	-
Less: Repayments during the year	2720.13	293.60	88.27	46.43
Add/(Less): Foreign exchange fluctuation (gain)/loss	-	-	-	-
Less: Derecognition during the year	-	-	-	44.06
Add/(Less): Amortisation impact on borrowings	-	-	-	-
Closing balance as on March 31, 2025	10799.83	5941.86	76.76	86.37

Foreign Currency risk

The company is exposed to foreign currency risk to the extent of exchange rate fluctuation at the time of payment of purchase price applicable in Foreign Letter of Credit (FLC). The currencies in which these transactions are primarily denominated are US Dollar and EURO.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company do not have exposure to the risk of changes in market interest rates relating to company's debt obligations as it is on fixed interest rates.

(a) The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings		
Long Term	10783.20	13272.84
Short Term	5941.98	4319.15
Total Variable rate borrowings	16725.18	17591.99
Fixed rate borrowings		
Long Term	16.63	54.18
Short Term	-	-
Total fixed Rate borrowings	16.63	54.18
Total borrowings	16741.81	17646.17

(b) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit before tax may be as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
	Increase/(Decrease)	
Interest rate- increase by 100 basis points (100 bps)*	(167.25)	(175.92)
Interest rate- decrease by 100 basis points (100 bps)*	167.25	175.92

* Holding all other variable constant

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 45

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings. The Company reviews the capital structure of the company on a regular basis and uses debt equity ratio to monitor the same.

The following table summarises the capital structure of the Company:

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Total Equity attributable to the shareholders of the company	38307.02	38060.34
As percentage of total capital	69%	68%
Total Loans and borrowings	16804.48	17646.17
Total Lease Liability	86.37	176.86
Total Loans and borrowings and Lease Liabilities	16890.85	17823.03
As a percentage of total capital	31%	32%
Total capital (loans, borrowings, lease liabilities and equity)	55197.87	55883.37

Note No. 46

The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) has released draft rules for the Code on November 13, 2020. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.

Note No. 47

Fair Value Hierarchy

The company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Note No. 48

RATIOS

Particulars	As at March 31, 2025	As at March 31, 2024	Variance %	Reason for Variance exceeding 25%
Current Ratio (Current assets over current liabilities) (Current liabilities: Total current liabilities- Current maturities of non-current borrowings and lease liability)	0.69	0.61	13%	-

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 48 (contd..)

Particulars	As at March 31, 2025	As at March 31, 2024	Variance %	Reason for Variance exceeding 25%
Debt Equity Ratio (Debt over total shareholder equity) (Debt: Non current borrowing+Current Maturity of borrowing+ Non-current lease liability and current maturity of lease liability)	0.28	0.35	-19%	-
Debt Service Coverage Ratio (PAT+Interest on debenture & term loan+ depreciation & amortisation- Profit on sale of fixed assets over Interest on term loan & debenture+repayment of debt during the year)	1.65	0.35	372%	DSCR increased on account of increase in profitability and decreased finance cost of long term debts
Return on Equity (PAT over total average equity) (Equity: Equity share capital+Other equity)	0.62%	-6.57%	109%	Positive Change in ROE on account of increase in profitability
Inventory Turnover Ratio (In days) (Average Inventory over Sale of products in days)	18	19	-0.4%	
Trade Receivable Turnover Ratio (In days) (Average trade receivable over Revenue from operations in days)	26	40	-36%	Trade Receivable Turnover Ratio has improved due to increased collections from customers.
Trade Payable Turnover Ratio (In days) (Average account payable over Total purchases in days)	49	49	-	
Net Capital Turnover Ratio (Revenue from operation over average working capital)	*	*		
Net Profit Ratio % (PAT over revenue from operations)	0.42%	-6.51%	106%	Return on equity, Net Profit Ratio, EBITDA, EBIT, Return on capital employed has increased on account of increase in profitability during the year ended 31.03.2025.
EBITDA % (EBITDA over revenue)	16.06%	6.64%	142%	
EBIT % (EBIT over revenue)	6.61%	-3.17%	308%	
Return on Capital Employed % (EBIT over capital employed) Capital employed: Equity share capital+other equity-Intangible assets- Misc. exp not written off+Non current borrowings + Current maturity of borrowings+Non-current lease liability and current maturity of lease liability+Deferred tax liabilities)	7.33%	-2.42%	402%	
Return on Investment % (Interest on FDs over Weight average of Fixed deposits)	5.98%	5.02%	19%	

Note:

EBIT - Earnings before interest and taxes including other income

EBITDA - Earnings before interest, taxes, depreciation and amortisation.

PAT - Profit after taxes.

* Net working capital is -ve

Notes on Standalone Financial Statements for the Year ended March 31, 2025

Note No. 49

The business activity of the company falls within one broad business segment viz. "Chemicals". Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

Note No. 50

As at 31 March 2025, the Company's current liabilities exceed its current assets by ₹9313.66 Lakhs. During the year, the Company has generated positive cashflows from operations amounting to ₹6443.35 Lakhs. Current liabilities as at 31 March 2025 include outstanding short-term loans (excluding current maturities of long term loans) of ₹6004.65 Lakhs. As per the estimated projections, the Company expects to generate positive cashflows from its operations in the foreseeable future. Considering the above, the Company is of the view that it will be able to meet its obligations, as and when due, for a period of at least 12 months from the balance sheet date. Therefore, the management believes that the use of going concern assumption in preparation of these financial statements is appropriate.

Note No. 51

- a) To make the financial statements more relevant and provide appropriate information to the users, the corresponding figures of the previous year have been re-grouped/reclassified in following cases:
 - i) "Labour Charges" amounting to ₹497.37 Lakhs was shown under "Other Expenses" (Note No. 32) in previous year, however the same has been reclassified under head "Employee Benefits Expenses" (Note No. 30)."
- b) The figures have been rounded off to the nearest ₹Lakhs.

Note No. 52

The Board of Directors of the Company, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on May 30, 2025.

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

Place: Chandigarh
Date : 30 May, 2025

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPV5241
Sd/-
(NIPUN RASTOGI)
Partner
Membership No. 518893

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of Primo Chemicals Ltd

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of Primo Chemicals Ltd ("the Company"), and its associates "M/s Flow Tech Chemicals Pvt. Ltd" (the Company and its associates together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind As financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the group as at March 31, 2025, the Consolidated profit and Consolidated total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We have conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Ind AS

financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Management's Responsibility for the Financial Statements

1. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, financial performance including other comprehensive income, cash flows and changes in equity of the group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the respective Board of Directors of companies included in the Group are responsible for assessing the respective 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 their Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Financial Statements

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

2. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Group Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
3. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, Consolidated Profit and Loss statement including the Consolidated 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;
- d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of written representations received from the Directors as on 31st March, 2025 taken on record by the Board of Directors of company and its associates, none of directors are disqualified as on 31st March, 2025 from being appointed as a Director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements have disclosed the impact of pending litigation on its financial position in its consolidated Ind AS financial statements.
 - ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no amount which were required to be transferred to the Investor Education and Protection Fund by the group during the year ended 31st March 2025.
- h) Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the

year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of the audit trail feature being tampered with.

- i) In accordance with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 and as required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 company had preserved audit trail as per the statutory requirements for record retentions.
- j. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee,

security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For S Tandon & Associates LLP

Chartered Accountants

ICAI Firm Registration Number 006388N/N500433

ICAI UDIN: 25518893BMKRPW7593

Sd/-

Nipun Rastogi

Partner

Membership No 518893

Place of Signature: Chandigarh

Date: May 30, 2025

Annexure A to Auditor's Report

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

We have audited the internal financial controls over financial reporting of Primo Chemicals Ltd as of 31st March 2025 in conjunction with our audit 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Place of Signature: Chandigarh
Date: May 30, 2025

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S Tandon & Associates LLP

Chartered Accountants

ICAI Firm Registration Number 006388N/N500433

ICAI UDIN: 25518893BMKRPW7593

Sd/-

Nipun Rastogi

Partner

Membership No 518893

Consolidated Balance Sheet As At March 31, 2025

(₹ in Lakhs)

Particulars	Note No.		As at March 31, 2025	As at March 31, 2024
ASSETS				
Non Current Assets				
a) Property, plant and equipment	3	49125.66		46167.23
b) Right-of-use assets	3a	565.78		664.34
c) Capital work-in-progress	4	1026.05		4862.55
d) Other intangible assets	3b	5.30		7.96
e) Investments accounted for using the equity method	5	6064.19		5943.42
f) Financial Assets				
(i) Trade receivables	6	-		-
(ii) Other financial assets	7	2189.49		2257.92
g) Other non-current assets	9	601.65		1092.30
Sub Total: Non Current Assets			59578.12	60995.72
Current Assets				
a) Inventories	10	3389.93		2226.59
b) Financial Assets				
(i) Trade receivables	11	4277.10		3499.63
(ii) Cash and cash equivalents	12	16.76		47.13
(iii) Other bank balances other than (ii) above	12	807.87		90.60
(iv) Other financial assets	13	642.17		192.79
c) Other current assets	14	5342.48		4362.45
Sub Total: Current Assets			14476.31	10419.19
TOTAL ASSETS			74054.43	71414.91
EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	15	4846.86		4846.86
b) Other Equity	16	34224.54		33857.09
Sub Total: Equity			39071.40	38703.95
Liabilities				
Non current liabilities				
a) Financial Liabilities				
(i) Borrowings	17	7997.83		10614.81
(ii) Lease liabilities	18	49.41		110.06
b) Provisions	19	522.18		508.76
c) Deferred tax liabilities (Net)	8	2623.64		1613.11
Sub Total: Non Current Liabilities			11193.06	12846.74
Current liabilities				
a) Financial Liabilities				
(i) Borrowings	20	8806.65		7031.36
(ii) Lease liabilities	18	36.96		66.80
(iii) Trade payables:				
(A) Total outstanding dues of Micro & Small Enterprises	21	1173.05		455.43
(B) Total outstanding dues of creditors other than Micro & Small Enterprises	21	5202.03		2620.42
(iv) Other financial liabilities	22	675.84		1906.44
b) Other current liabilities	23	7777.64		7706.97
c) Provisions	24a	56.89		76.80
d) Current Tax Liabilities (Net)	24b	60.91		-
Sub Total: Current Liabilities			23789.97	19864.22
TOTAL EQUITY AND LIABILITIES			74054.43	71414.91
Material Accounting Policies	2			
Notes forming an integral part of the consolidated financial statements	1 to 52			

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPW7593

Sd/-
(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Consolidated Statement of Profit and Loss for the Year ended March 31, 2025 (₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	26	55555.81	39698.02
Other income	26a	2088.87	1942.14
Total Income		57644.68	41640.16
EXPENSES			
Cost of material consumed	27	10128.84	8004.45
Purchase of Stock in Trade		2143.89	1.26
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(345.91)	(348.59)
Manufacturing expenses	29	23609.92	19658.76
Employee benefits expenses	30	5029.17	4366.84
Finance costs	31	2300.80	1820.57
Depreciation and amortisation expense	3 & 9	5110.57	3956.05
Other expenses	32	8155.87	7323.33
Total Expenses		56133.15	44782.67
Profit /(Loss) before tax		1511.53	(3142.51)
Tax Expenses			
Current Tax		279.69	-
Adjustments of tax related to earlier years		-	19.19
Deferred Tax		996.63	(575.88)
Total Tax Expense		1276.32	(556.69)
Profit/(Loss) for the year after Tax		235.21	(2585.82)
Share of Profit / (Loss) of Associate		120.77	53.12
Profit/(Loss) transferred to Other Equity		355.98	(2532.70)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation		39.80	(10.98)
Income tax relating to items that will not be reclassified to profit or loss	35	13.91	(1.88)
Net Other Comprehensive Income		25.89	(9.10)
Total Comprehensive Income for the year		261.10	(2594.92)
Profit before interest, depreciation and tax (EBIDTA)		8922.90	2634.11
Earnings/(Loss) per Equity Share of ₹2/- each			
Basic (in ₹.)	36	0.15	(1.05)
Diluted (in ₹.)	36	0.15	(1.05)
Material Accounting Policies	2		
Notes forming an integral part of the consolidated financial statements	1 to 52		

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPW7593

Sd/-
(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Consolidated Statement of Cash Flow for the Year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) after tax	355.98	(2532.70)
Adjustments for:		
Income Tax Expense	1276.32	(556.69)
Depreciation and Amortisation Expenses	4806.51	3668.02
Miscellaneous Expenses Written Off	304.06	288.03
Foreign Exchange Fluctuation	12.16	-
Share of (Profit)/loss in Associate	(120.77)	(53.12)
Provision for Gratuity	39.80	(10.98)
Amount Transferred from WIP to Stores	3.81	278.69
(Gain)/loss on sale of Fixed Assets	(72.81)	(51.79)
Interest Income	(167.65)	(179.55)
Finance Cost / Interest on Term Loan	1180.34	1068.40
Operating Profit Before Working Capital Changes	7617.75	1918.31
Adjustments for:		
(Increase)/Decrease in Trade receivables	(777.47)	1664.12
(Increase)/Decrease in Other Current Assets	(1198.81)	(959.02)
(Increase)/ Decrease in Inventories	(1163.34)	(425.18)
(Increase)/Decrease in current financial assets others & capital advances	(262.79)	1144.14
(Decrease)/Increase in Trade Payable & creditors for capital goods	2080.17	(2036.61)
(Decrease)/Increase in Short Term Borrowings	62.68	(5.25)
(Decrease)/Increase in Other Current Liabilities & non current liabilities & provisions	105.07	1431.03
(Decrease)/Increase in Short Term Provisions	(19.91)	21.68
Net Working Capital Changes	(1174.40)	834.91
Cash Generated From Operations	6443.35	2753.22
Income Tax (Paid)/Refund	-	(1386.12)
Net Cash From Operating Activities	6443.35	1367.10
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(4015.19)	(6763.31)
Sale/Adjustment of Fixed Assets	198.49	285.66
Investment made	-	-
Bank deposits (placed)/matured	(833.26)	897.47
Interest Received	167.65	179.55
Long Term Advances (Given)/received	184.42	(168.55)
Purchase of Membranes and Recoating of Pans	-	(22.87)
Net Cash Used in Investing Activities	(4297.89)	(5592.05)
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings	192.94	4370.22
Repayment of term loans to banks	(2720.13)	(5468.41)
Finance cost paid	(1210.24)	(1044.19)
Principal payment of lease liabilities	(46.24)	(39.03)
Interest paid on lease liabilities	(14.98)	(14.37)
Proceeds from Short Term Borrowings (Working Capital)	1622.82	4319.15
Net Cash Flow from Financing Activities	(2175.83)	2123.37
Net Increase/(Decrease) in Cash And Cash Equivalents	(30.37)	(2101.58)
Cash And Cash Equivalents at the beginning of year	47.13	2148.71
Cash And Cash Equivalents at the end of year	16.76	47.13

Explanatory notes to the Consolidated Statement of Cash Flows:

- Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows" prescribed under the Companies (Indian Accounting Standards) Rules, 2015.
- The amount of ₹30.07 lakhs (Previous Year - ₹681.00 lakhs) are undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

Notes forming an integral part of the consolidated financial statements

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPW7593
Sd/-

(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

Consolidated Statement of Changes In Equity for the Year ended March 31, 2025

A. Equity Share Capital

Current reporting period

(₹ in Lakhs)					
Balance as at 1.4.2024	4846.86	Changes in equity share capital during the year	-	Balance as at 31.03.2025	4846.86

Previous reporting period

(₹ in Lakhs)					
Balance as at 1.4.2023	4846.86	Changes in equity share capital during the year	-	Balance as at 31.03.2024	4846.86

B. Other Equity

Current reporting period

	Reserves and Surplus			Other Comprehensive Income (OCI)	Total
	Capital Reserve	Securities premium Reserve	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1.4.2024	3483.23	16025.58	14333.59	14.69	33857.09
Total Comprehensive Income for the year	-	-	355.98	25.89	381.87
Depreciation	(46.82)	-	46.82	-	-
Other Reserves	-	-	-	-	-
Adj. in respect of Assets sold/discarded(Net)	(14.42)	-	-	-	(14.42)
Share Forfeited Reserve	-	-	-	-	-
Securities Premium Reserve	-	-	-	-	-
Balance as at 31.03.2025	3421.98	16025.58	14736.39	40.58	34224.54

Previous reporting period

	Reserves and Surplus			Other Comprehensive Income (OCI)	Total
	Capital Reserve	Securities premium Reserve	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1.4.2023	3531.85	16025.58	16819.30	23.79	36400.52
Total Comprehensive Income for the year	-	-	(2532.70)	(9.10)	2541.80
Depreciation	(46.99)	-	46.99	-	-
Other Reserves	-	-	-	-	-
Adj. in respect of Assets sold/discarded(Net)	(1.63)	-	-	-	(1.63)
Share Forfeited Reserve	-	-	-	-	-
Securities Premium Reserve	-	-	-	-	-
Balance as at 31.03.2024	3483.23	16025.58	14333.59	14.69	33857.09

For and on Behalf of the Board of Directors

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPW7593

Sd/-
(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date: 30 May, 2025

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Company Overview:

Primo Chemicals Limited ('the Company') is a limited company incorporated in India. The Registered & Corporate Office of the Company is at Bay No. 46-50, Sector 31-A, Chandigarh - 160030, India. CIN - L24119CH1975PLC003607. The Ordinary (Equity) shares of the Company are listed on the BSE Limited ("BSE"). The Ordinary(Equity) shares are also listed on National Stock Exchange of India Ltd ("NSE") since April 22, 2025.

The financial statements have been approved by Board of Directors in their board meeting held on May 30, 2025.

The company is primarily involved in manufacturing of :

- a. Caustic Soda Lye
- b. Caustic Soda Flakes
- c. Hydrochloric Acid
- d. Liquid Chlorine
- e. Sodium Hypochlorite
- f. Hydrogen Gas
- g. Stable Bleaching Powder
- h. Aluminium Chloride

Note No. 1: BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation and compliance with Ind AS

The financial Statements are prepared on an accrual/going concern basis and historical cost convention except for certain financial assets that are measured at fair value. These financial statements of the Company have been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company has consistently applied accounting policies to all years. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

The presentation of the Financial Statements is based on Ind AS Schedule III of the Act. The financial statements are presented in Indian Rupee and all values are rounded off to the nearest Lakhs as per the requirement of Schedule III, except when otherwise indicated.

Note No. 2: MATERIAL ACCOUNTING POLICIES.

(a) Accounting Convention

The financial statements are prepared under the historical cost convention except for certain financial assets and liabilities that are measured at fair value and on the basis of going concern. The financial statements have been prepared on a going concern basis on the strength of profitability, liquidity and continued support of the promoters, financial institutions and banks and with a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. All expenses and incomes to the extent considered payable and receivable respectively, unless stated otherwise, have been accounted for on mercantile basis.

(b) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, intangible assets, fair value of financial assets/liabilities and impairment of investments.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 2 (Contd..)

i) Useful lives of property, plant and equipment and intangible assets :

The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

ii) Leases:

The Company considers all the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

iii) Income Tax:

Deferred tax assets are recognised for the unused tax losses credits for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

iv) Provision for rebates and discounts

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on past experience, market conditions and current contract prices with customers.

v) Allowance for impairment of trade receivables

The Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

vi) Impairment of Investments

The Company reviews the carrying value of long term investments in equity/preference shares of associate,

subsidiaries and joint venture companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(c) Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and interest on loans attributable to the acquisition or construction of assets up to the date of assets available for use as intended by management.

Tangible Assets are stated at fair values. Machinery Spares have been capitalised as and when issued. Direct costs are capitalised until the property, plant and equipment are available for use, as intended by the management. These costs also include financing cost which has been capitalized on qualifying assets as per Ind-AS 23. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are taken out from books of accounts and resultant profit (including capital profit) or loss, if any, is reflected in Statement of Profit & Loss.

The Company has identified spares having value (landed cost) of ₹10000/- & above and having life of more than one year in line with the Ind-AS 16. These spares are transferred to capital work in progress account and are capitalized as and when issued. The full value of these spares is being depreciated over their useful life using the straight-line method.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 2 (Contd..)

Estimated Useful Lives:

Asset	Useful Life
Building	30-60 years
Railway Siding	15 years
Plant and equipment	2-22 years
Furniture and fixtures	8-10 Years
Office Equipments and computers	3- 5 Years
Vehicles	8 Years

(d) Depreciation

The Company has charged depreciation on fixed assets on straight-line basis (SLM) on a pro-rata basis from the date of additions / available for use as intended by management, as per their useful life based on past operational experience as certified by the technical staff of the plant. Fixed Assets individually costing up to ₹5,000/- are depreciated 100% in the year of purchase. The intangible assets are being amortised over a period of 5 years. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

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

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc. Estimated residual value of tangible assets has been taken at 5%.

(e) Intangible Assets:

Intangible Assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. These assets are being amortized over a period of five years. Costs associated with maintaining software programme are recognized as an expense as incurred.

Intangible assets are amortised over the useful economic life 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 are reviewed at least at the end of each reporting period.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(f) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in 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 classified as current when it is expected to be settled in 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 noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(g) Valuation of Inventories

The items of finished goods are valued at lower of cost or estimated net realisable value. Cost of finished goods includes material cost and appropriate portion of production and administrative overheads and excludes interest and marketing expenses. The value of finished goods stock is exclusive of GST. Cost of raw material, building material and stores & spares is determined (net of input tax credit) at monthly weighted average cost basis. Material in transit is taken at cost price. Stock in process is valued at cost of raw material added. Scrap, if any, at the year end does not form part of closing inventory.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 2 (Contd..)

(h) Investment in associates enterprises

The company prepares separate financial statements to account for investments in associate enterprises. The investments in associates have been accounted for at cost less accumulated impairment, if any.

(i) Financial instruments

Recognition and initial measurement

All financial assets and financial Liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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

Classification and subsequent measurement

i) Financial assets

Financial assets at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets carried at fair value through other comprehensive income (FVTOCI) : The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries, Joint Venture and Associates) to present the subsequent changes in fair value in other comprehensive income.

Financial assets at FVTPL : A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

ii) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(j) Revenue Recognition

Revenue is recognised at the transaction price as per agreements with the customers after taking into account the amount of price discount, volume rebate, outgoing taxes (GST) on sales on satisfaction of performance obligation by transfer of effective control of the promised goods to the customer which is generally on dispatch/delivery of goods, as applicable. The revenue is recognised on point in time basis.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis.

Insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

Income from service activities is accounted for on rendering the service in accordance with the contractual terms and when there is no uncertainty in receiving the same.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 2 (Contd..)

(k) Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity. Government grants are recognized where there is reasonable assurance that the company will comply with the conditions attached to it and that the grants will be received. Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

(l) Foreign Exchange Transactions

i) Functional and presentation currency

The Financial Statements are presented in Indian Rupee which is the functional and presentation currency of the Company.

ii) Transactions and balances

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit & Loss.

(m) Employee Benefits

i) Defined Contribution Plan :

Employee defined contribution plans include Provident Fund and Employee State Insurance. The Company's Contribution paid/payable during

the year towards Provident Fund Scheme and Employees's State Insurance (where applicable) are recognised as expense in the Statement of Profit & Loss. The Company has no further obligations under the plan beyond its monthly contributions.

ii) Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

iii) Defined Benefit Plan :

The Company's liabilities towards leave encashment and gratuity are determined by an independent actuary, using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds. Actuarial gains and losses are recognised immediately in the Statement of Profit & Loss as income or expense and other comprehensive income as per Ind-AS 19. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

iv) Gratuity :

Gratuity liability has been covered by master policies of Life Insurance Corporation of India under irrevocable trust.

(n) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 2 (Contd..)

the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in Statement of Profit & Loss in the period in which they are incurred.

(o) Earnings Per Share

The Basic Earnings/ (Loss) per Share is computed on the basis of weighted average number of Equity Shares outstanding during the financial year. The Diluted Earnings/(Loss) per Share is computed on the basis of weighted average number of Equity Shares outstanding during the year and the Potential Equity Shares.

(p) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax is recognised using the balance sheet approach. Deferred tax has been recognised in accordance with IND-AS 12 on the basis of tax consequences of difference between the carrying amounts of assets and liabilities and their tax base.

Deferred tax assets are recognised to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(q) Provisions and contingent liabilities

Provisions for claims including litigations are recognised when the Company has a present obligation as a result of

past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(r) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 2 (Contd..)

have a lease term of 12 months or less and leases of low-value assets. For the short term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The Company as a lessee

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease income as and when due as

per terms of agreements. The respective leased assets are included in the financial statements based on their nature.

(s) Statement of Cashflows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cashflows are segregated into and presented as cashflows from operating, investing and financing activities.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the company. The Business activity of the company majorly falls within one business segment viz "Chemicals".

(u) Accounting policies not specifically referred above are consistent with generally accepted accounting practices.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 3. Property, Plant and Equipment

Property, plant and equipment comprise of owned and leased assets.

Particulars	Site Development	Land -Freehold	Buildings	Buildings Factory	Tube well	Plant and Equipment	Office Equipment	Furniture and Fixtures	Computer	Vehicles	Electric Installation	Railway Sidings	Lab Instruments	Total
(₹ in Lakhs)														
Cost or Valuation														
Balance as at 1 st April, 2023	28.15	2646.71	974.62	3546.26	46.34	47237.51	180.98	142.72	197.92	1158.69	47.31	181.28	55.24	56443.73
Additions during the year	-	9.01	998.37	1685.34	-	19518.37	184.22	119.62	48.07	51.07	15.87	-	-	22629.94
Disposals during the year	-	-	-	-	-	214.80	-	-	-	0.13	-	-	-	214.93
Balance as at 31 st March, 2024	28.15	2655.72	1972.99	5231.60	46.34	66541.08	365.20	262.34	245.99	1209.63	63.18	181.28	55.24	78858.74
Balance as at 1 st April, 2024	28.15	2655.72	1972.99	5231.60	46.34	66541.08	365.20	262.34	245.99	1209.63	63.18	181.28	55.24	78858.74
Additions during the year	-	-	1.60	834.03	-	6917.55	8.63	74.45	5.21	6.40	-	-	-	7847.87
Disposals during the year	-	-	-	-	-	2258.84	-	-	1.55	-	-	-	-	2260.39
Balance as at 31 st March, 2025	28.15	2655.72	1974.59	6065.63	46.34	71199.79	373.83	336.79	249.65	1216.03	63.18	181.28	55.24	84446.22
Accumulated depreciation														
Balance as at 1 st April, 2023	-	-	414.74	2055.77	44.02	25888.47	96.39	69.48	141.94	375.75	20.90	58.06	35.10	29200.62
Depreciation expense for the year	-	-	28.48	130.85	-	3199.75	50.15	18.12	38.93	129.13	4.09	10.04	3.21	3612.75
Disposals during the year	-	-	-	-	-	121.84	-	-	-	0.02	-	-	-	121.86
Balance as at 31 st March, 2024	-	-	443.22	2186.62	44.02	28966.38	146.54	87.60	180.87	504.86	24.99	68.10	38.31	32691.51
Balance as at 1 st April, 2024	-	-	443.22	2186.62	44.02	28966.38	146.54	87.60	180.87	504.86	24.99	68.10	38.31	32691.51
Depreciation expense for the year	-	-	32.32	181.69	-	4259.39	58.42	23.85	40.47	132.49	4.32	9.88	3.21	4746.04
Disposals during the year	-	-	-	-	-	2115.89	-	-	1.10	-	-	-	-	2116.99
Balance as at 31 st March, 2025	-	-	475.54	2368.31	44.02	31109.88	204.96	111.45	220.24	637.35	29.31	77.98	41.52	35320.56
Net carrying amount														
Net carrying amount as at 31 st March, 2024	28.15	2655.72	1529.77	3044.98	2.32	37574.70	218.66	174.74	65.12	704.77	38.19	113.18	16.93	46167.23
Net carrying amount as at 31 st March, 2025	28.15	2655.72	1499.05	3697.32	2.32	40089.91	168.87	225.34	29.41	578.68	33.87	103.30	13.72	49125.66

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 3a Right of use assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	
	Land -Leasehold	Leasehold Buildings
Cost		
Balance as at April 1, 2023	565.78	-
Additions during the year	3.87	161.76
Disposals during the year	-	-
Balance as at March 31, 2024	569.65	161.76
Balance as at April 1, 2024	569.65	161.76
Additions during the year	-	-
Disposals during the year	-	78.82
Balance as at March 31, 2025	569.65	82.94
Accumulated Depreciation		
Balance as at April 1, 2023	15.29	-
Depreciation expense for the year	8.04	43.74
Disposals during the year	-	-
Balance as at March 31, 2024	23.33	43.74
Balance as at April 1, 2024	23.33	43.74
Depreciation expense for the year	8.04	49.77
Disposals during the year	-	38.07
Balance as at March 31, 2025	31.37	55.44
Net carrying amount		
Net carrying amount as at March 31, 2024	546.32	118.02
Net carrying amount as at March 31, 2025	538.28	27.50

- 3.1 Depreciation for the year 2024-25 includes ₹46.82 Lakhs (Previous year ₹46.99 Lakhs) as depreciation arising on revaluation of Fixed Assets.
- 3.2 Fixed Assets are stated at values determined by the valuer less depreciation. Capital Spares are transferred to capital work in progress and are capitalised as and when issued. Direct costs are capitalised till the assets are available to use. These costs also includes financing cost (including exchange rate fluctuations) relating to specific borrowing attributable to Fixed Assets. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are taken out from books of accounts and resultant profit (including capital profit) or loss, if any, is reflected in Statement of Profit & Loss.
- 3.3 The Company has charged depreciation on fixed assets on straight-line basis (SLM) as per their useful life based on past operational experience as certified by the technical staff of the plant. Fixed Assets individually costing up to ₹5,000/- are depreciated 100% in the year of purchase. The intangible assets are being amortised over a period of 5 years.
- 3.4 The Company had revalued its Fixed Assets (other than the 100 TPD Membrane Cell Plant Power Line) as on 31st March, 2004 on the basis of existing use value by an independent professional valuer. The revaluation of assets had been approved by the Board of Directors in its meeting held on 27th October, 2005 and the revalued figures were incorporated in the accounts in the financial year 2005-06. Accordingly a sum of ₹6243.16 Lakhs being the surplus of the value of assets over the written down value, had been credited to the Revaluation Reserve.
- 3.5 The Company had revalued its 100 TPD Membrane Cell Plant Power Line as on 31st March, 2006 on the basis of existing use value by an independent professional valuer. The revaluation of the asset had been approved by the Board of Directors in its

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 3a (Contd..)

meeting held on 29th October, 2007 and the revalued figure was incorporated in the accounts in the financial year 2007-08. Accordingly, a sum of ₹27.78 Lakhs being the surplus of the value of the asset over the written down value, had been credited to the Revaluation Reserve.

- 3.6 The Company had revalued its Fixed Assets as on 31st March, 2009 on the basis of existing use value by an independent professional valuer. The revaluation of assets had been approved by the Board of Directors in its meeting held on 29th January, 2010 and the revalued figures were incorporated in the accounts in the financial year 2009-10. Accordingly a sum of ₹4819.99 Lakhs being the surplus of the value of assets over the written down value, had been credited to the Revaluation Reserve.
- 3.7 Addition in leasehold land of ₹3.87 Lakhs and Leasehold - Buildings of ₹161.76 during the financial year 2023-24 represent the present value of right to use of assets of future lease rent calculated in accordance with Ind AS 116 and is being amortised on straight line basis over the remaining term of the lease.
- 3.8 The company has not revalued its Property, Plant & Equipment during the current financial year.
- 3.9 The value of Property, Plant and Equipment also include the capitalized borrowing cost amounting to ₹ Nil (Previous Year ₹298.16 Lakhs) during the period.
- 3.10 The life of Power Plant being second hand machineries with renovation activity has been taken at 22 years for depreciation purposes. The depreciation has been charged at Straight Line Method basis.

Note No. 3b Other Intangible Assets

(₹ in Lakhs)

Particulars	As at March 31, 2025
	Computer Software
Cost	
Balance as at April 1, 2023	37.93
Addition during the year	-
Deductions during the year	-
Balance as at March 31, 2024	37.93
Balance as at April 1, 2024	37.93
Addition during the year	-
Deductions during the year	-
Balance as at March 31, 2025	37.93
Accumulated Amortisation	
Balance as at April 1, 2023	26.48
Amortisation expense for the year	3.49
Deductions during the year	-
Balance as at March 31, 2024	29.97
Balance as at April 1, 2024	29.97
Amortisation expense for the year	2.66
Deductions during the year	-
Balance as at March 31, 2025	32.63
Net carrying amount as at March 31, 2024	7.96
Net carrying amount as at March 31, 2025	5.30

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 4

CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Work-In-Progress	1026.05	4862.55

Capital-work-in progress ageing schedule:

As at March 31, 2025

(₹ in Lakhs)

Particulars	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					
Pilot Plant Project	103.47	12.13	-	-	115.60
Water Management Project	48.13	-	-	-	48.13
Existing Plant & Machinery	490.83	239.50	77.26	35.70	843.29
Others	8.73	0.55	9.75	-	19.03
Total	651.16	252.18	87.01	35.70	1026.05

As at March 31, 2024

Particulars	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					
Pilot Plant Project	31.28	-	-	-	31.28
Expansion Project II	2809.38	581.01	-	-	3390.39
SBP Project	41.54	723.08	-	-	764.62
Existing Plant & Machinery	316.43	91.41	23.24	25.20	456.28
Aluminium Chloride-II	197.50	-	-	-	197.50
Others	1.52	0.55	19.01	1.40	22.48
Total	3397.65	1396.05	42.25	26.60	4862.55

Note No. 5

NON CURRENT FINANCIAL ASSETS - INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	Face Value Per unit (₹)	As at March 31, 2025		As at March 31, 2024	
		Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
In Associate Company					
Flow Tech Chemicals Pvt. Ltd.	10	373700	5943.42	373700	5890.30
(373700 Unlisted equity Shares of Flow Tech Chemicals Pvt. Ltd. @ ₹1418.20 per share)					
Add : Share of Profit in Flow Tech Chemicals Pvt. Ltd.			120.77		53.12
			6064.19		5943.42

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 5 (Contd..)

5.1 The Company has acquired 49% equity stake in Flow Tech Chemicals Pvt. Ltd. (FTCPL) having principal place of business in Rajpura & Nangal, Punjab, India and has accounted for it at cost in line with Ind AS 28 equity method.

As per Share Purchase Agreement dated 14 July, 2021 read with Supplementary Share Purchase Agreement dated 29 September, 2022 with M/s Flow Tech Chemicals Pvt. Ltd., the Company is to acquire 100% equity stake in M/s Flow Tech Chemicals Pvt. Ltd.

5.2 The Company has acquired 49% equity stake as at 31.03.2025 after payment of ₹5299.81 Lakhs. The valuation of investment as 31.03.2025 is done by registered valuer based on estimated profits of the Company. These Financial estimates of the Investee company have been approved by the Board of Directors in their meeting held on 20th May 2025. The Statutory Auditor (appointed for special purpose) of Investee company, have certified these estimates and reasonableness, fairness and consistency of assumptions followed for preparation of these estimates for the next five financial year. Accordingly, an Auditor Report as per Standard of Assurance Engagement [SAE 3400, issued by Institute of Chartered Accountants of India] was issued by said Auditor. As per the Valuation Report issued by the registered valuer based on these estimates duly approved by Board of Directors and certified by Statutory Auditor (appointed as Special Auditor), the valuation on investment in the current financial year exceeds its carrying value, resulting in no impairment provision being provided.

The Company has relied on the Auditor Report issued by the Statutory Auditor (appointed as Special Auditor) of Investee company and valuation report of registered valuer appointed by the company for this valuation purpose. Since no impairment provision has been deemed necessary based on the current valuation, future Changes in Market conditions, expectations in terms of chlorine consumption, or other relevant factor could impact the carrying value of the investment. Therefore, Company shall continue to monitor the investment's performance and reassess its valuation regularly to ensure that it remains reflective of its fair value in accordance with applicable accounting standards.

Note No. 6

NON CURRENT FINANCIAL ASSETS -TRADE RECEIVABLES

(₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
Considered Good except where provided for:			
a) Total Receivable considered good- Secured	-		-
b) Total Receivable considered good- Unsecured	-		-
c) Trade Receivable which have significant increase in credit risk	19.50		19.50
d) Trade Receivable- Credit impaired	-		-
Total		19.50	19.50
Less: Allowance for expected credit loss (Debtors over 365 days including legal cases)		19.50	19.50

6.1

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 6 (Contd..)

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	19.50	19.50
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total	-	-	-	-	19.50	19.50
Less: Allowance for expected credit loss (Debtors over 365 days including legal cases)	-	-	-	-	19.50	19.50
Net Receivables	-	-	-	-	-	-

*The ageing is from invoice date

Note No. 7

NON CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	2067.40	2251.82
Bank Deposits having maturity of more than 12 months	122.09	6.10
	2189.49	2257.92

Note No. 8

DEFERRED TAX LIABILITIES/ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets	1477.49	2165.58
Deferred Tax Liabilities	4101.13	3778.69
Deferred Tax (Liabilities)/Assets (Net)	(2623.64)	(1613.11)

Deferred Tax: The Company has recognized deferred tax in accordance with IND-AS 12. The major elements of Deferred Tax Assets and Liabilities are given below:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	
	Deferred Tax Assets	Deferred Tax Liabilities
Timing difference on:		
Fixed Assets	-	3823.44
Provision for Gratuity	32.77	
Provision for Leave Encashment	163.60	
Provision for Bonus	5.98	
C/F Losses and Depreciation	1091.75	
ROU Assets		102.68
Lease Liability	30.18	
Gratuity Defined Plan Assets (OCI)	153.21	175.01
	1477.49	4101.13
Net Deferred Tax Liabilities	-	(2623.64)

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 8 (Contd..)

The movement in deferred tax assets during the year is as follows:

(₹ in Lakhs)

Deferred Tax Liabilities:	As at April 1, 2024	During the period		As at March 31, 2025
	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Property, Plant and Equipments	3481.81	341.63	-	3823.44
Right of Use Assets	135.77	(33.09)	-	102.68
Gratuity Defined Plan Assets (OCI)	161.11	-	-	175.01
Total Deferred Tax Liabilities	3778.69	308.54	-	4101.13

Deferred Tax Assets:	As at April 1, 2024	During the period		As at March 31, 2025
	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Provision for Gratuity	32.32	0.45	-	32.77
Provision for Leave Encashment	167.11	(3.51)	-	163.60
Provision for Bonus	5.19	0.79	-	5.98
Gratuity Defined Plan Assets (OCI)	153.21	-	-	153.21
Lease Liabilities	61.80	(31.61)	-	30.18
Carried Forward Losses and Depreciation	1745.95	(654.20)	-	1091.75
Total Deferred Tax Assets	2165.58	(688.08)	-	1477.49
Deferred Tax Liabilities (Net)	1613.11	996.62	-	2623.64

Deferred Tax Liabilities:	As at April 1, 2023	During the period		As at March 31, 2024
	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Property, Plant and Equipments	2334.11	1147.70	-	3481.81
Right of Use Assets	-	135.77	-	135.77
Gratuity Defined Plan Assets (OCI)	132.56	-	28.54	161.11
Total Deferred Tax Liabilities	2466.67	1283.47	28.54	3778.69

Deferred Tax Assets:	As at April 1, 2023	During the period		As at March 31, 2024
	Opening Balance	Amount Recognised in PL	Amount Recognised in OCI	Closing Balance
Provision for Gratuity	12.80	19.52	-	32.32
Provision for Leave Encashment	136.48	30.63	-	167.11
Provision for Bonus	3.73	1.46	-	5.19
Gratuity Defined Plan Assets (OCI)	122.79	-	30.42	153.21
Lease Liabilities	-	61.80	-	61.80
Carried Forward Losses and Depreciation	-	1745.95	-	1745.95
Total Deferred Tax Assets	275.80	1859.35	30.42	2165.58
Deferred Tax Liabilities (Net)	2190.87	(575.88)	(1.88)	1613.11

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 9

OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
(i) Capital advances		317.65	504.24
(ii) Deferred Expenditure:			
As per last balance sheet	588.06		853.22
Addition during the year	-		22.87
	588.06		876.09
Less: Amortized during the year	304.06		288.03
Closing Balance		284.00	588.06
		601.65	1092.30

9.1 The cost of membranes is being amortized over a period of three years. The cost of recoating of pans of electrolyzers is being amortized over a period of eight years.

Note No. 10

INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Inventory (Valued at lower of cost and net realisable value)		
Raw Materials	1622.81	647.35
Stock in process	329.35	213.70
Finished goods	1004.37	774.11
Stores, Spares and consumables	433.40	591.43
	3389.93	2226.59

10.1. Raw Material includes Steam Coal of ₹949.91 Lakh (Previous year ₹84.78 Lakh)

Note No. 11

CURRENT FINANCIAL ASSETS -TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered Goods except where provided for:		
a) Total Receivable considered good- Secured	3212.70	1943.81
b) Total Receivable considered good- Unsecured	1064.40	1555.82
c) Trade Receivable which have significant increase in credit risk	-	-
d) Trade Receivable- Credit impaired	-	-
	4277.10	3499.63
Out of the above, trade receivables from related parties are as below:		
Trade Receivables from related parties	2.80	110.07

11.1 Trade receivables are interest and non-interest bearing and are generally up to 60 days terms.

11.2 Secured Trade Receivables are secured by way of security deposit.

11.3 The company does not have any unbilled dues which meets the definition of a receivable as per requirements of Ind AS 115 (i.e entity's right to consideration that is unconditional).

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

11.4 Ageing of trade receivables

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4243.00	34.10	-	-	-	4277.10
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

* The ageing is from Invoice date

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3461.24	38.39	-	-	-	3499.63
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

* The ageing is from Invoice date

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 12

CURRENT FINANCIAL ASSETS–CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
a) Cash and cash equivalents			
Balance with banks			
Current Account (For Corporate Environment Responsibility)	14.15		44.15
Fixed Deposits with original maturity less than three months	-		-
		14.15	44.15
Cash in hand		2.61	2.98
Total Cash and cash equivalents		16.76	47.13
b) Bank Balances other than Cash and Cash Equivalent			
Bank Deposits with original maturity more than 3 months and less than one year including margin money for letters of credit and bank guarantees.		807.87	90.60

Note No. 13

OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
(i) Advances other than capital advances			
Advance to Suppliers/Service Providers	1219.98		756.65
Less: Provision for doubtful debts (Others)	588.54		587.36
		631.44	169.29
(ii) Advance to Director or other officer		-	-
(iii) Other advances			
Advance to Employees		1.27	11.97
(iv) Insurance Claim recoverable		9.46	11.53
		642.17	192.79

13.1 The final adjustment of (a) expenses on common facilities with Punjab National Fertilizers & Chemicals Limited (under liquidation) for Railway Siding, Hostel Building, Power Link Line, Land, Tube well, Staff Housing Colony and Storm Water Drain etc., and (b) other expenses, aggregating to ₹574.53 Lakhs (previous year ₹573.34 Lakhs) incurred on behalf of Punjab National Fertilizers & Chemicals Limited shall be made as per the settlement by the Official Liquidator of Punjab National Fertilizers & Chemicals Limited. However, an amount of ₹6.44 Lakhs (previous year ₹5.25 Lakhs) has been provided as doubtful debt during the current year.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 14

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	91.31	75.01
Income Tax recoverable	285.08	-
Advance Income Tax	-	240.00
Other recoverable	243.97	173.76
Income tax claimable	46.84	41.58
GST recoverable	4667.21	3824.03
GST Input Claimable	-	-
Advance against water charges	8.07	8.07
	5342.48	4362.45

Note No. 15

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
350,000,000 Equity Shares of ₹2/- each	7000.00	7000.00
(Previous year 350,000,000 Equity Shares of ₹2/- each)		
Issued		
242,715,730 Equity Shares of ₹2/- each	4854.31	4854.31
(Previous year 242,715,730 Equity Shares of ₹2/- each)		
Subscribed		
242,703,980 Equity Shares of ₹2/- each fully called up (Previous year 242,703,980 Equity Shares of ₹2/- each)	4854.08	4854.08
Paid Up		
242,343,220 Equity Shares of ₹2/- each fully called up (Previous year 242,343,220 Equity Shares of ₹2/- each)	4846.86	4846.86
	4846.86	4846.86

15.1 Reconciliation of number of Equity Shares and amount outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Paid up capital:				
Opening Balance	242343220	4846.86	242343220	4846.86
Changes during the year	-	-	-	-
Closing Balance	242343220	4846.86	242343220	4846.86

15.2 Rights, preferences and restrictions attached to the equity shareholders : The Company has one class of equity shares having par value of ₹2/- per share. Each shareholder is eligible for one vote per equity share held. All equity shares rank equally with regard to dividends as declared from time to time. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

15.3 Shareholding of Promoter

Shares held by promoters at the end of the year

S. No	Promoter Name	As at March 31, 2025		As at March 31, 2024		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Sh. Sukhbir Singh Dahiya	25278015	10.43	25278015	10.43	-
2	Sh. Jagbir Singh Ahlawat	15500100	6.40	15500100	6.40	-
3	Smt. Parerna Ahlawat	11068925	4.56	11068925	4.56	-
4	Sh. Jatin Dahiya	5482535	2.26	5482535	2.26	-
5	Sh. Mayank Ahlawat	-	-	-	-	-
6	Smt. Dayawati Dahiya	3560170	1.47	3560170	1.47	-
7	Smt. Garima Singh	1100000	0.45	1100000	0.45	-
8	M/s Flowtech Industrial Projects Pvt. Ltd.	9626710	3.97	9626710	3.97	-
9	M/s Flow Tech Chemicals Pvt. Ltd.	-	-	-	-	-
10	M/s Himalaya Alkalies & Chemicals Limited	2604390	1.07	2604390	1.07	-
11	M/s Tara Mercantile Pvt. Ltd.	1761985	0.73	1761985	0.73	-
12	M/s Advance Chemicals*	-	-	-	-	-
Total		75982830	31.35	75982830	31.35	-

*M/s. Advance Chemicals (holding Nil Shares) has been reclassified from "Promoter group" category to "Public" category vide BSE Limited approval letter dated 16.01.2025 as per the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015 and accordingly, was not a promoter as on 31.03.2025.

15.4 Details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	% age	No. of shares held	% age
Sh. Naveen Chopra	42500000	17.54	42500000	17.54
M/s Durva Infratech LLP	37500000	15.47	37500000	15.47
Sh. Sukhbir Singh Dahiya	25278015	10.43	25278015	10.43
Sh. Jagbir Singh Ahlawat	15500100	6.40	15500100	6.40
M/s Plutus Wealth Management LLP	-	-	12400000	5.12

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 16

OTHER EQUITY

(₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
Capital Reserve			
Land Subsidy		5.49	5.49
Shares Forfeited Reserve Account		10.65	10.65
Revaluation Reserve			
As per last balance sheet	3467.09		3515.71
Less: Adjusted in respect of Assets sold/ discarded	14.42		1.63
Less: Depreciation & Amortization	46.82		46.99
		3405.85	3467.09
Securities Premium			
As per last Balance Sheet	16025.58		16025.58
Add: Addition during the year	-		-
		16025.58	16025.58
Other Comprehensive Income			
As per last Balance Sheet	14.69		23.79
Add: Addition during the year	25.89		(9.10)
		40.58	14.69
STATEMENT OF PROFIT AND LOSS			
As per last Balance Sheet	14333.59		16819.30
Add: Depreciation on revalued assets	46.82		46.99
Add: Transferred from statement of Profit and Loss	355.98		(2532.70)
		14736.39	14333.59
		34224.54	33857.09

Note No. 17

NON CURRENT LIABILITIES- BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Term Loans & Vehicle Loans		
1. Kotak Mahindra Bank Ltd. (Material Handling Equipment)	16.63	54.18
(Secured by way of hypothecation of Material Handling Equipment)		
2. AU Small Finance Bank Limited TL (Expansion Project)	2710.88	3330.15
(Secured by way of First Exclusive Charge on Plant & Machinery of Caustic Soda Plant Capacity Expansion & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Pari-passu Charge under Joint Negative Lien on the immovable property situated in Sector 31-A, Chandigarh and First Charge on Pari-passu basis on existing other Plant & Machinery and other present and future Current Assets of the company). Repayment Tenor: Repayable in 72 equal Monthly Installments.		

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 17 (Contd..)

NON CURRENT LIABILITIES- BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
3. HDFC Bank Ltd TL (SBP Plant)	1875.00	2375.00
(Secured by way of First Exclusive Charge on Plant & Machinery of SBP Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of Caustic Soda Plant Capacity expansion already hypothecated with AU small Finance Bank Limited) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 66 equal Monthly Installments.		
4. HDFC Bank Ltd TL (Capex)	1878.15	2379.00
(Secured by way of First Exclusive Charge on Plant & Machinery of SBP Plant and Flaker Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of Caustic Soda Plant Capacity Expansion Project already hypothecated with AU small Finance Bank Limited) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 72 equal Monthly Installments.		
5. HDFC Bank Ltd TL (Flaker Plant)	2169.18	2634.00
(Secured by way of First Exclusive Charge on Plant & Machinery of Flaker Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of (i) Caustic Soda Plant Capacity Expansion Project already hypothecated with AU small Finance Bank Limited, (ii) SBP Plant already hypothecated with HDFC Bank Limited and (iii) Aluminum Chloride Plant already hypothecated with Punjab National Bank) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 78 equal Monthly Installments.		
6. Punjab National Bank (Aluminium Chloride Plant)	1864.04	2,430.71
(Secured by way of First Exclusive Charge on Plant & Machinery of Aluminum Chloride Plant & First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab) and First Charge on Pari-passu basis on existing other Plant & Machinery (excluding Plant & Machinery of (i) Caustic Soda Plant Capacity Expansion Project already hypothecated with AU small Finance Bank Limited and (ii) SBP Plant & Flaker Plant already hypothecated with HDFC Bank Limited) and other present and future Current Assets of the company). Repayment Tenor: Repayable in 72 equal Monthly Installments.		
7. Punjab National Bank (Car Loan)		
(Secured by way of hypothecation of Vehicles): Repayable in 84 equal Monthly Installments.	99.90	123.98

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 17 (Contd..)

NON CURRENT LIABILITIES- BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
8. HDFC Bank (Corporate Office Building)	186.05	-
(Secured by way of First Charge on Commercial Plot Nos. 46 to 50 admeasuring 722.085 Sq. Yards at Sector 31-A, Chandigarh subject to First Pari-passu Charge under Joint Negative Lien on the immovable property situated in Sector 31-A, Chandigarh in favour of AU Small Finance Bank Limited. Repayment Tenor: Repayable in 28 equal Quarterly Installments.		
	10799.83	13327.02
Less: Short term maturity of Term loan/vehicle loan within 1 year transferred to Short term borrowing.	2802.00	2712.21
	7997.83	10614.81

NOTE:- Loans mentioned from point no.1 to 8 are further secured by way of personal guarantee(s) of the Chairman and Managing Director of the company.

Note No. 18

NON CURRENT LIABILITIES- LEASE LIABILITY

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liability	86.37	176.86
Less: Short term maturity of Lease liability within 1 year transferred to Short term borrowing.	36.96	66.80
	49.41	110.06

18.1 Maturity analysis of lease liability

Maturity analysis – contractual undiscounted cash flows	As at March 31, 2025	As at March 31, 2024
Less than one year	36.96	66.80
One to five years	22.41	94.67
More than five years	484.69	491.69

18.2 Amounts recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2025	As at March 31, 2024
Interest on lease liabilities (included in Finance Cost)	15.19	15.52
Expenses relating to short-term leases	3.60	3.84
Total amount recognised in Profit and Loss for leases	18.79	19.36

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 19

NON CURRENT LIABILITIES- PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits*		
Gratuity	93.79	92.48
Leave Encashment	428.39	416.28
	522.18	508.76

*The Company's liabilities towards leave encashment and gratuity are determined by an independent actuary, using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds. Actuarial gains and losses are recognised immediately in the Statement of Profit & Loss as income or expense and other comprehensive income as per Ind-AS 19. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Note No. 20

CURRENT LIABILITIES- BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Short term maturity of Term loan within 1 year –Refer Note No.17	2802.00	2712.21
Bills Discounting	51.91	-
Buyer's Credit (Foreign Currency loan)	920.13	-
Cash Credit (AU Small Finance Bank Limited-secured)	1982.80	1728.83
Cash Credit (HDFC Bank Limited-secured)	788.36	1736.88
HDFC Corporate and Purchase cards (Unsecured)	62.68	-
Cash Credit (Punjab National Bank - Secured)	998.77	853.44
HDFC BANK WCDL	1200.00	-
	8806.65	7031.36

20.1 Cash Credit Limits from HDFC Bank Limited, AU Small Finance Bank Limited and Punjab National Bank are / will be secured by (i) first Pari passu charge by way of hypothecation on present and future current assets of the Company, (ii) First Charge on Plant and machinery of (a) Caustic Soda Plant Capacity Expansion Project in case of AU Small Finance Bank Limited, (b) SBP Plant and Flaker Plant in case of HDFC Bank limited and (c) Aluminum Chloride Plant in case of Punjab National Bank, (iii) First Charge on Pari-passu basis on existing immovable properties situated at Naya Nangal, Distt. Ropar (Punjab), (iv) Personal Guarantees of Chairman and Managing Director and (v) First Pari-passu Charge under Joint Negative Lien in case of AU Small Finance Bank Limited on the immovable property situated in Sector 31-A, Chandigarh.

20.2 Buyer Credit loan are secured by way of lien on non-funds based working Capital Limits.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 21

CURRENT FINANCIAL LIABILITIES-TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Creditors		
Total outstanding dues of Micro & Small Enterprises	1173.05	455.43
Total outstanding dues of creditors other than Micro & Small Enterprises	5202.03	2620.42
	6375.08	3075.85

21.1 Amount due to MSME has been determined to the extent such parties have been identified on the basis of information provided by the parties.

21.2 Trade Payables ageing schedule

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods*				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME **	2150.02	2.00	-	-	2152.02
(ii) Others	4093.52	43.62	13.96	38.42	4189.52
(iii) Disputed dues – MSME **	-	-	18.20	15.34	33.54
(iv) Disputed dues - Others	-	-	-	-	-

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods*				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME **	421.89				421.89
(ii) Others	2471.55	122.14	7.06	19.67	2620.42
(iii) Disputed dues – MSME **	-	18.20	0.09	15.25	33.54
(iv) Disputed dues - Others	-	-	-	-	-

*The ageing is from invoice date

** Payment is not payable because of applicable liquidated damages, security, retention on account of performance as per terms of contract and non payment of statutory liabilities by respective parties.

Micromeg Enterprises Pvt Ltd has made an application to Micro and Small enterprises Facilitation Council. The amount claimed by party is not payable because of delay in supply, commissioning and other related issues.

The company has filed a suit for recovery against M/s HEM Marketing Services, Baroda on 13.03.2024 as amount is recoverable from the party on account of Liquidated Damages and loss suffered by the company due to un-resolved various issues pertaining to the Material Handling System for SBP Plant.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 22

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Creditors for capital goods	599.10	1818.17
Interest accrued but not due	76.74	88.27
	675.84	1906.44

Note No. 23

OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Liabilities		
Statutory Liabilities	198.95	443.68
Expenses payable	826.72	2542.76
Other Liabilities	6574.73	4541.39
Advances from Customers	177.24	179.14
	7777.64	7706.97

23.1 Expense payable includes ₹625.42 Lakhs (previous year ₹2332.88 Lakhs) payable to PSPCL towards power bill.

23.2 Other Liabilities includes mainly Security Payable to Debtors ₹5322.65 Lakhs (Previous year ₹3998.65 Lakhs)

Note No. 24

CURRENT LIABILITIES - PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Provision for Employee Benefits		
Leave Encashment	39.78	61.95
Bonus	17.11	14.85
	56.89	76.80
b) Net Current Tax Liability		
Provision for taxation	279.69	-
Less: Advance Tax Paid	218.78	-
	60.91	-

24.1 The Company's liabilities towards leave encashment and gratuity are determined by an independent actuary, using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds. Actuarial gains and losses are recognised immediately in the Statement of Profit & Loss as income or expense and other comprehensive income as per Ind-AS 19. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 25

CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Letters of Credit Outstanding (Letters of Credit includes Foreign Letters of credit (FLC) of ₹567.54 lakhs (Previous year : Nil)	912.54 (USD - 638551.20, EURO - Nil)	56.84 (USD - Nil, EURO - Nil)
b) Bank Guarantees given by Company	294.50	80.88
c) Estimated amounts of contracts remaining to be executed on capital account and not provided for	2228.11	2695.28
d) Additional Liability (with interest of ₹5.70 Lakhs (Previous Year - ₹33.03 lakhs) on account of Income Tax Assessments for the Past Assessment Years against which company has filed appeals. No provision has been made for the interest amount. (see note 25.2 and 25.3 below)	51.11	387.51
e) Liability towards legal case PACL vs Tarsem Singh Rana (Gurmeet Oil Carrier) (see note 25.2 and 25.3 below)	12.84	12.84

(Company's appeal in Delhi High Court is pending - Judgement and Decree stayed)

25.1 Continuity Bond amounting to ₹379.70 Crores (2023-24 - ₹363.41 Crores) was executed in favour of custom authorities against which request for cancellation of the bonds had been submitted and acknowledgement of the same has been received from Custom Authorities.

25.2 Pending resolution of the respective proceedings, it is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

25.3 The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Consolidated financial statements. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Note No. 26

REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations		
Revenue from Sales of Goods	53357.65	39686.77
Revenue from trading sales	2198.16	11.25
	55555.81	39698.02

26.1 Disaggregation of the revenue Information

Revenue is disaggregated by geographical market, major products / service lines and timing of revenue recognition as follows

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 26 (Contd..)

REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Geographical markets		
- India	55555.81	39698.02
Major Product / Services lines		
Manufactured goods:		
Caustic Soda Lye	36080.10	34302.74
Caustic Soda Flakes	12821.37	2502.50
Liquid Chlorine	436.11	411.99
Hydrochloric Acid	539.80	774.83
Hydrogen Gas	788.82	630.48
Sodium Hypochlorite	764.35	663.17
Stable Bleaching Powder	672.03	324.64
Aluminium Chloride	1255.08	76.42
Other (Trading Sale)	2198.16	11.25
Total revenue from operations	55555.81	39698.02

26.2 The Company classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer. Trade receivable are presented net of impairment in the Balance Sheet.

26.3 Revenue recognised from Contract liability (Advances from Customers):

The Contract liability outstanding at the beginning of the year was ₹179.14 Lakhs (Previous year ₹209.65 Lakhs), out of which ₹131.20 Lakhs (Previous year 116.64 Lakhs) has been recognised as revenue during the year ended 31st March 2025.

26.4 Information about major customers

Revenues arising from sales to the company's single large customer is ₹6217.33 Lakhs (Previous Year ₹5377.58 Lakhs). Revenue from second largest customer which also contributed more than 10% of revenue was ₹5516.22 Lakhs. (Previous Year ₹4939.76 Lakhs). No other single customers contributed 10% or more to the Company's revenue during the current year. However, revenue from third largest customer who contributed more than 10% of revenue was ₹4844.68 Lakhs during previous financial year.

Note No. 26a

OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Income:		
Interest received	167.65	179.55
Scrap sales	98.28	168.77
Goods & Service Tax Incentives	1387.23	1065.33
Misc. Income	57.79	77.97
Excess provision written back	305.11	398.62
Profit on sale of fixed assets	72.81	51.90
	2088.87	1942.14

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 27

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock	647.35	776.31
Add: Purchases	11104.30	7875.49
Less: Sale of Raw Materials	-	-
Less: Closing Stock	1622.81	647.35
Cost of Materials consumed	10128.84	8004.45

Materials Consumed Comprises of:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salt	7144.79	6443.84
Aluminium Ingots	1436.01	496.20
Soda Ash	201.04	174.26
Barium Carbonate	602.66	360.42
Sulphuric Acid	168.72	125.81
Hydrated Lime	459.39	237.87
Others	116.23	166.05
Total	10128.84	8004.45

27.1 Consumption of above is as per actual material consumed.

Note No. 28

CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Closing Stocks		
Finished Goods	1004.37	774.11
Stock in Process	329.35	213.70
Stock-in-trade	-	-
	1333.72	987.81
Less: Opening Stocks		
Finished Goods	774.11	597.80
Stock in Process	213.70	31.31
Stock-in-trade	-	10.11
	987.81	639.22
Increase/(Decrease) in Stock	345.91	348.59

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 29

MANUFACTURING EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Power, Fuel & Utilities	20688.20	19513.52
Steam Coal Consumption	2577.90	41.75
Packing Material	343.82	103.49
Total	23609.92	19658.76

Note No. 30

EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages & Bonus	2774.44	2574.09
Directors Remuneration	905.48	908.66
Contribution to Provident, Superannuation & Gratuity funds	293.42	279.81
Staff Welfare, Recruitment & Training Expenses	110.92	106.91
Labour Charges	944.91	497.37
Total	5029.17	4366.84

Note No. 31

FINANCE COST

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest and Charges:		
Term Loans	1180.34	1068.40
Cash Credit	518.74	277.15
Interest on Advance Consumption Deposit PSPCL	-	2.68
Interest on lease liabilities	15.19	15.52
Security Deposits/Others	586.53	456.82
Total	2300.80	1820.57

Note No. 32

OTHER EXPENSES

(₹ in Lakhs)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Railway Siding Operations		62.39	5.28
Stores & Spares consumed		508.16	588.64
Repair & Maintenance			
Plant & Machinery	268.73		300.21
Building	32.68		62.58
Others	25.21		46.82
		326.62	409.61
Board Meeting Expenses		76.69	83.00

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 32 (Contd..)

OTHER EXPENSES

(₹ in Lakhs)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Travelling & Conveyance			
Directors	19.97		26.76
Others	94.43		120.23
		114.40	146.99
Statutory Auditors Remuneration			
Audit Fees	4.50		4.00
Tax Audit Fees*	0.35		0.35
Other Services	-		-
Out of Pocket Expenses	-		-
		4.85	4.35
Legal & Professional Charges		192.05	239.99
Insurance		92.81	111.28
Printing & Stationery		28.55	27.17
Postage & Telephone		22.11	26.95
Electricity & Water Charges		15.92	9.78
Rent, Rates & Taxes		96.36	88.60
Pollution Control Expenses		67.47	59.48
CER Expenses		30.00	80.00
CSR Expenses		-	183.55
Miscellaneous Expenses		157.19	590.32
Short term lease payments		3.60	3.84
Loss on sale of Assets		-	0.11
Doubtful Debts Others		1.19	5.25
Advertisement		11.19	5.59
Freight, Cartage & Handling		2519.90	2213.37
Business Promotion		34.97	36.98
Discounts & Commission		606.97	525.53
Chlorine disposal charges		3182.48	1787.82
Bad debts		-	89.85
Total		8155.87	7323.33

*Paid to other than statutory auditors

Note No. 33 : Debit & Credit balances of parties are subject to their confirmation.

Note No. 34 : Legal action had been initiated against customers from whom a total sum of ₹19.50 Lakhs (Previous Year ₹19.50 Lakhs) is due as the balance of the principal value of goods supplied.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 35 : Income Tax:

Income tax expense in the statement of profit and loss consists of:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current income tax	279.69	-
Adjustments of tax related to earlier years	-	19.19
Deferred tax	996.63	(575.88)
Income tax expense recognised in the statement of profit and loss	1276.32	(556.69)
Deferred tax arising on income and expense recognised in other comprehensive income		
Remeasurement of defined benefit plan	13.91	(1.88)

The reconciliation between the provision of income tax and amounts as computed as per computation of income tax is as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (Loss) before tax	1511.53	(3142.51)
Enacted income tax rate in India	34.944%	34.944%
Computed expected tax expense*	279.69	-
Effect of:		
Temporary difference of depreciation expense	341.63	1147.70
Temporary difference of Right of Use Assets	(33.09)	135.77
Effect of Non-deductible expenses/income	2.27	(51.61)
Carried forward loss	654.20	(1746.04)
MAT Credit	-	-
Lease Liabilities	31.61	(61.80)
Others	-	-
Prior Period Tax	-	19.19
Income tax expense recognised in the statement of profit and loss	1276.32	(556.69)

* Computed tax expenses has been calculated @18.50% under MAT u/s 115 JB.

Note No. 36

EARNING PER SHARE (EPS)

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (Loss) for the year for basic EPS (₹ in Lakhs)	355.98	(2532.70)
Weighted average number of Ordinary (Equity) Shares of ₹2/- each	242343220	242343220
Basic Earning per share of ₹2/- each (₹)	0.15	(1.05)
Diluted Earning per share of ₹2/- each (₹)	0.15	(1.05)

Note No. 37

EMPLOYEE DEFINED BENEFITS:

Gratuity

The Company is having payment of gratuity plan through gratuity trust.. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 37 (Contd..)

Asset Volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement benefit obligation is sensitive to inflation and accordingly, an increase in inflation rate would increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Defined Benefit Plans-as per Actuarial Valuation as on March 31, 2025

(₹ in Lakhs)

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Expense Recognised in the Profit & Loss Statement for the year	49.11	44.50	60.53	65.05
Present Value of Defined Benefit Obligation as at 31 st March, 2025	877.64	911.99	468.17	478.23

(₹ in Lakhs)

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Amounts recognised in profit or loss				
Current service cost	45.89	42.92	31.89	28.91
Expected Return on Plan Assets	(54.75)	(62.42)	-	-
Net interest expense	57.97	64.00	30.78	31.75
Total	49.11	44.50	62.67	60.66
Amount of recovery for employees on deputation	-	(3.60)	-	(2.28)
Net Actuarial Losses/(Gains)	-	-	(2.15)	4.40
Total amount included in employee benefits expense	49.11	40.90	60.53	62.78

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 37 (Contd..)

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Amounts recognised in other comprehensive income Beginning of period	(22.58)	(33.56)	-	-
Remeasurement (gains)/ losses:				
a) Actuarial (gains)/ losses arising from changes in				
– demographic assumptions	-	-	-	-
– financial assumptions	10.92	10.67	-	-
– experience adjustments	(47.13)	(8.22)	-	-
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(3.59)	8.53	-	-
Total remeasurement recognised in OCI	(39.80)	10.98	-	-
Total amount recognised in other comprehensive income end of period	(62.37)	(22.58)	-	-
Changes in the defined benefit obligation				
Opening defined benefit obligation	911.99	966.98	478.24	468.70
Current service cost	45.90	42.92	31.89	28.91
Past service cost	-	-	-	-
Interest expense	57.97	64.00	30.78	31.75
Remeasurements (gains)/ losses	(36.21)	2.45	(2.15)	4.40
Benefits paid	(102.00)	(164.36)	(70.60)	(55.52)
Closing defined benefit obligation	877.64	911.99	468.17	478.23
Changes in fair value of plan assets				
Opening fair value of plan assets	819.51	923.04	-	-
Interest income	54.75	62.41	-	-
Return on plan assets excluding interest income				
Contributions by employer	8.00	6.95	-	-
Benefits paid	(102.00)	(164.36)	-	-
Actuarial Gain/(Losses)	3.58	(8.53)	-	-
Closing fair value of plan assets	783.86	819.51	-	-
Net defined benefit obligation				
Defined benefit obligation	877.64	911.99	468.17	478.23

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 37 (Contd..)

Particulars	Funded Plan		Unfunded Plans	
	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Fair value of plan assets	783.86	819.51	-	-
Surplus/(Deficit)	93.79	92.48	468.17	478.23
Current portion of the above	-	-	39.78	61.95
Non current portion of the above	93.79	92.48	428.39	416.28
Liability recognised in B/S	93.79	92.48	468.17	478.23
Funding of Plan Assets as a percentage of total Plan	86.11% with LIC	86.11% with LIC	Unfunded	Unfunded
Actuarial Assumptions				
- Discount Rate	6.70%	6.95%	6.70%	6.95%
- Expected rate of return on Plan Assets	6.70%	6.95%	-	-
- In-service Mortality	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)
- Attrition Rate	1% to 2%	1% to 2%	1% to 2%	1% to 2%
- Salary Rise	3.00%	3.00%	3.00%	3.00%
- Remaining Working life	14 Years	14 Years	14 Years	14 Years

Sensitivity analysis

(₹ in Lakhs)

	Gratuity		Leave Encashment	
	31-Mar-25		31-Mar-25	
Defined Benefit Obligation (Base)		87764343		46817017
	Decrease	Increase	Decrease	Increase
Discount Rate	90035050	85607639	48294876	45423519
Impact of increase/decrease in 50 bps on DBO	2.59%	(2.46)%	3.16%	(2.98)%
Salary Growth Rate	85609563	89987809	45368118	48341992
Impact of increase/decrease in 50 bps on DBO	(2.46)%	2.53%	(3.09)%	3.26%
Expected Cash Flows		31-Mar-25		31-Mar-25
Year 1		10189484		3978100
Year 2		12316419		4937863
Year 3		12706387		5266564
Year 4		16226034		7065092
Year 5		6786528		4163837
Year 6 to 10		44268223		24615356

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 38

FINANCIAL INSTRUMENTS BY CATEGORY

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Financial Assets		
Measured at fair value through Other Comprehensive Income (FVTOCI)	-	-
Measured at fair value through P&L (FVTPL)	-	-
Measured at amortised cost		
Investment in associate	6064.19	5943.42
Trade receivables	4277.10	3499.63
Cash and Cash Equivalents	16.76	47.13
Bank Balances other than above	807.87	90.60
Other Financial Assets	2831.66	2450.71
(b) Financial Liabilities :		
Measured at amortised cost		
Borrowings	16804.48	17646.17
Trade Payables	6375.08	3075.85
Lease Liabilities	86.37	176.86
Other financial liabilities	675.84	1906.44

Note No. 39

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility: In accordance with section 135 (5) of the Companies Act, 2013, a Company, meeting the Corporate Social Responsibility (CSR) applicability criteria, needs to spend in every financial year, at least 2% of its average net profits made during the three immediately preceding financial years in pursuance of its CSR Policy. Since the company do not meets the CSR applicability criteria mentioned under section 135(1) and accordingly no requirement to spend minimum 2% of its average net profits during the FY 2024-25. However, the company during the year FY 2024-25 has voluntarily spent CSR amount of ₹34.41 Lakhs on routine CSR activities which will be set off during next financial years in pursuance of CSR Rules.

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amount required to be spent by the company during the year	-	183.44
Amount of expenditure incurred	34.41	183.55
Short fall at the end of the year	-	-
Total of previous year's shortfall	-	-
Reason for shortfall	-	-

Nature of CSR Activities

	Year ended March 31, 2025	Year ended March 31, 2024
Nature of CSR Activities	For Plantation and Neighbourhood Development, Ensuring Animal Welfare, Making Available Safe Drinking Water Near Local Area, Promoting Education, Promotion of Healthcare including Preventive Health care.	For Plantation and Neighbourhood Development, Ensuring Animal Welfare, Making Available Safe Drinking Water Near Local Area, Promoting Education / Vocational Skills, Contribution For Sports, Promotion of Healthcare including Preventive Health care, Hygiene Improvement, Empowering women

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 40

RELATED PARTY DISCLOSURES:

a) Names of related Parties and description of relationships, having transactions during the year

1) Significant Interest Entities: NA

2) Associates-Flow Tech chemicals Private Limited

3) Key Managerial Personnel

Shri Naveen Chopra, Managing Director

Shri Jatin Dahiya, Executive Director

Shri Arun Kumar Kaushal, Chief Financial Officer (Upto 30.06.2024)

Smt. Sugandha Kukreja, Company Secretary & CHRO

Shri Sunil Parsad, Chief Financial Officer (w.e.f. 01.07.2024)

4) Related Parties where Common Director

M/s Prayag Chemicals Pvt. Ltd.

M/s V S Polymers Pvt. Ltd.

M/s Shahenshah Chemicals

5) Shareholders with more than 10% shareholding

M/s Durva Infratech LLP.

b) Volume of transaction with related parties

Key Management Personnel Compensation	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	1032.46	978.16
Post-employment benefits	25.91	37.47
Other long-term benefits	-	-

The post-employment benefits expense is computed based on actuarial valuation.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Other related party transactions:

(a) Transactions with related parties:

Nature of Transactions	For the Year ended March 31, 2025						For the Year ended March 31, 2024					
	Key management personnel	Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals	Key management personnel	Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals
Remuneration paid to Sh. Naveen Chopra, Managing Director	650.63	-	-	-	-	-	603.99	-	-	-	-	-
Remuneration paid to Sh. Jatin Dahiya, Executive Director	330.06	-	-	-	-	-	320.62	-	-	-	-	-
Remuneration paid to Sh. Arun Kumar Kaushal, CFO (upto 30.06.24)	16.35	-	-	-	-	-	26.99	-	-	-	-	-
Remuneration paid to Smt. Sugandha Kukreja, CS & CHRO	35.42	-	-	-	-	-	26.56	-	-	-	-	-
Remuneration paid to Sh. Sunil Parsad, CFO (w.e.f. 01.07.2024)	19.65	-	-	-	-	-	-	76.23	9.46	27.46	-	-
Sale of Goods & Services	-	1817.30	173.98	22.88	-	278.29	-	(0.50)	-	-	303.19	-
Purchase of Goods/ Capital Goods & Services	-	-	-	-	1062.00	-	-	-	-	-	-	-
Other:												
Other Income	-	17.43	-	-	-	-	-	12.05	-	-	-	-
Chlorine disposal charges / handling charges	-	1911.07	178.16	366.64	-	-	-	1107.57	105.00	209.67	-	-
Chlorine tonner rent	-	-	10.15	-	-	-	-	79.10	1.23	0.20	-	-
Recovery under Employee benefits	-	-	-	-	-	-	-	1.40	-	-	0.07	-
Lease Rent	-	0.50	3.60	-	-	-	-	0.50	3.60	-	-	-
Recovery of reimbursible expenses	-	-	-	-	-	-	-	16.12	-	-	8.26	-
Total	1052.11	3746.30	365.89	389.52	1062.00	278.29	978.16	1292.47	130.82	237.33	311.52	-

*Including Perquisites

(b) Balance outstanding as at the year end

Nature of Outstanding	For the Year ended March 31, 2025						For the Year ended March 31, 2024					
	Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals		Flow Tech Chemicals Pvt Ltd	Prayag Chemicals Pvt Ltd	VS Polymers Pvt Ltd	Durva Infratech LLP	M/s Shahenshah Chemicals	
Trade receivables	-	-	-	-	2.80	-	110.07	-	-	-	-	-
Trade payables	(138.21)	(78.50)	(178.86)	(87.00)	-	-	-	(2.30)	(2.80)	(193.80)	-	-

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/ payment or sale/purchase of goods or services.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 41 :

A total of 2416 chlorine tonners (including rented tonners) were in circulation with various customers as returnable empties as on 31.03.2025.

Note No. 42 :

Additional Regulatory Information pursuant to the requirement in Division II Schedule III of Companies Act, 2013 are as follows:

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company has not been declared wilful defaulter by any bank or financial institution.
- c) The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- d) All the title deeds of Immovable Properties are held in the name of the company except leased properties.
- e) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- f) The company has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and the related parties either severally or jointly with any other person, that are:
 - (a) repayable on demand; or
 - (b) without specifying any terms or period of repayment,
- g) Compliance with number of layers of companies: This is not applicable

h) Utilisation of borrowed funds & Share Premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the company (ultimate beneficiaries). The company has not received any fund from any party(s) (funding party) with the understanding whether, directly or indirectly lend or invest in other persons or entities identify by on or behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

i) Disclosure for Struck off Companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	Balances as at March 31, 2025	Balances as at March 31, 2024	Relationship with the struck-off Company
	Sale of Goods	-	-	-
	Purchase of Goods and receiving of services	-	-	-
	Receiving of Services	-	-	-
Other Entities (I)	Subscription to Equity Shares	0.13	0.13	Equity Shareholder

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 42 : (Contd..)

Details of other struck off entities holding equity shares in the Company is as below:

Name of Struck off Company	No. of Shares held	Paid-up (In ₹)
	As at March 31, 2025	As at March 31, 2025
Precto Mech-Tech Private Limited	1500	3000
Vaishak Shares Limited	60	120
Niranjan Singh Kartar Singh Forges Pvt Ltd (Niranjan Singh Kartar Singh Forgings Pvt. Ltd. as per MCA records)	1250	2500
Translink Investments Private Ltd	500	1000
Vinco Holdings & Finance Pvt Ltd	500	1000
Ranbros Pvt Ltd (Heavymetal Manufacturing Company Pvt. Ltd. as per MCA records)	2500	5000
Total	6310	12620

- j) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- k) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note No. 43

Information relating to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) The principal amount and the interest due thereon is ₹22.31 lacs (Previous year : Nil) remaining unpaid to any supplier as at the end of each accounting year;	1026.17	-
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	40.38	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	62.69	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	62.69	-

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 44

Financial Risk Management

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

Financial guarantees: The Company is exposed to credit risk in relation to guarantees given to bank. The company's maximum exposure in this regard is ₹2.95 Crores, which is the maximum amount company would have to pay if the guarantee is called upon. Further the company has given bond of ₹379.70 Crores to Custom Authorities against which the liability of custom duty has since been paid. The continuity bond after cancellation is awaited from Custom Authorities.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customer and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding account receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates also has influence on credit risk assessment. The company has taken dealer securities which are considered in determination of expected carried losses, where applicable. The company makes an allowance for doubtful trade receivable using the simplified approach for expected credit loss and by continuously monitoring the recoverability of receivable balances.

The Company primarily has exposure from following types of customers:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Dealers	3749.88	3132.86
Government Customer	235.93	71.75
Direct Customers	291.29	295.02
Total	4277.10	3499.63

The receivables of ₹3212.70 Lakhs (Previous year ₹1943.81 Lakhs) are secured by security deposits.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty. The

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 44 (Contd..)

Financial Risk Management

company also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

(₹ in Lakhs)

Particulars	Trade receivables
Provision as at April 1, 2023	109.35
Provision made during the year 2023-24	-
Written off/(written back) during the year 2023-2024	89.85
Provision as at March 31, 2024	19.50
Provision as at April 1, 2024	19.50
Provision made during the year 2024-25	-
Written off/(written back) during the year 2024-25	-
Provision as at March 31, 2025	19.50

Investments

The company limits its exposure to credit risk by generally investing in liquid securities and only with counter parties that have a good credit rating. The company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also the company is utilising cash credit limits (Fund Based and Non Fund Based) of ₹75 Crore sanctioned by banks from time to time as and when required.

Contractual Maturities of financial liabilities

As at March 31, 2025

(₹ in Lakhs)

	Carrying Amount	Up to 1 year	Between 1 year to 5 year	Over 5 years	Total
Borrowing	16741.81	8743.98	7949.60	48.23	16741.81
Trade Payables	6375.08	6374.73	-	-	6375.08
Lease liabilities	86.37	29.59	-3.03	59.81	86.37
Other financial liabilities	675.84	675.84	-	-	675.84
Total liabilities	23879.10	15824.49	7946.57	108.04	23879.10

As at March 31, 2024

	Carrying Amount	Up to 1 year	Between 1 year to 5 year	Over 5 years	Total
Borrowing	17646.17	7031.35	10614.81	-	17646.17
Trade Payables	3075.85	3075.85	-	-	3075.85
Lease liabilities	176.86	51.39	65.27	60.20	176.86
Other financial liabilities	1906.44	1906.44	-	-	1906.44
Total liabilities	22805.32	12065.03	10680.08	60.20	22805.32

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 44 (Contd..)

Financial Risk Management

Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7.

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Opening balance as on April 1, 2023	14425.22	-	95.97	49.10
Add: Additions during the year	4370.22	4319.15	88.27	181.16
Less: Repayments during the year	5468.41	-	95.97	53.40
Add/(Less): Foreign exchange fluctuation (gain)/loss	-	-	-	-
Less: Derecognition during the year	-	-	-	-
Add/(Less): Amortisation impact on borrowings	-	-	-	-
Closing balance as on March 31, 2024	13327.03	4319.15	88.27	176.86
Add: Additions during the year	192.94	1916.31	76.76	-
Less: Repayments during the year	2720.13	293.60	88.27	46.43
Add/(Less): Foreign exchange fluctuation (gain)/loss	-	-	-	-
Less: Derecognition during the year	-	-	-	44.06
Add/(Less): Amortisation impact on borrowings	-	-	-	-
Closing balance as on March 31, 2025	10799.83	5941.86	76.76	86.37

Foreign Currency risk.

The company is exposed to foreign currency risk to the extent of exchange rate fluctuation at the time of payment of purchase price applicable in Foreign Letter of Credit (FLC). The currencies in which these transactions are primarily denominated are US Dollar and EURO.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company do not have exposure to the risk of changes in market interest rates relating to company's debt obligations as it is on fixed interest rates.

(a) The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows: (₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings		
Long Term	10783.20	13272.84
Short Term	5941.98	4319.15
Total Variable rate borrowings	16725.18	17591.99
Fixed rate borrowings		
Long Term	16.63	54.18
Short Term	-	-
Total fixed Rate borrowings	16.63	54.18
Total borrowings	16741.81	17646.17

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 44 (Contd..)

Financial Risk Management

(b) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit before tax may be as follows: (₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest rate- increase by 100 basis points (100 bps)*	(167.25)	(175.92)
Interest rate- decrease by 100 basis points (100 bps)*	167.25	175.92

*Holding all other variable constant

Note No. 45

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings. The Company reviews the capital structure of the company on a regular basis and uses debt equity ratio to monitor the same.

The following table summarises the capital structure of the Company:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Equity attributable to the shareholders of the company	39071.40	38703.95
As percentage of total capital	70%	68%
Total Loans and borrowings	16804.48	17646.17
Total Lease Liability	86.37	176.86
Total Loans and borrowings and Lease Liabilities	16890.85	17823.03
As a percentage of total capital	30%	32%
Total capital (loans, borrowings, lease liabilities and equity)	55962.25	56526.98

Note No. 46 :

The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) has released draft rules for the Code on November 13, 2020. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.

Note No. 47

FAIR VALUE HIERARCHY

The company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 48

RATIOS

Particulars	As at March 31, 2025	As at March 31, 2024	Variance %	Reason for Variance exceeding 25%
Current Ratio	0.69	0.61	13%	-
(Current assets over current liabilities)				
(Current liabilities: Total current liabilities- Current maturities of non-current borrowings and lease liability)				
Debt Equity Ratio	0.28	0.35	-20%	-
(Debt over total shareholder equity)				
(Debt: Non current borrowing+Current Maturity of borrowing+ Non-current lease liability and current maturity of lease liability)				
Debt Service Coverage Ratio	1.68	0.35	381%	DSCR increased on account of increase in profitability and decreased finance cost of long term debts
(PAT+Interest on debenture & term loan+depreciation & amortisation- Profit on sale of fixed assets over Interest on term loan & debenture+repayment of debt during the year)				
Return on Equity	0.92%	-6.47%	114%	Positive Change in ROE on account of increase in profitability
(PAT over total average equity)				
(Equity: Equity share capital+Other equity)				
Inventory Turnover Ratio (In days)	18	19	-0.4%	
(Average Inventory over Sale of products in days)				
Trade Receivable Turnover Ratio (In days)	26	40	-36%	Trade Receivable Turnover Ratio has improved due to increased collections from customers.
(Average trade receivable over Revenue from operations in days)				
Trade Payable Turnover Ratio (In days)	49	49	-	
(Average account payable over Total purchases in days)				
Net Capital Turnover Ratio	*	*		
(Revenue from operation over average working capital)				

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 48 (Contd..)

RATIOS

Particulars	As at March 31, 2025	As at March 31, 2024	Variance %	Reason for Variance exceeding 25%
Net Profit Ratio %	0.64%	-6.51%	110%	Return on equity, Net Profit Ratio, EBITDA, EBIT, Return on capital employed has increased on account of increase in profitability during the year ended 31.03.2025.
(PAT over revenue from operations)				
EBITDA %	16.06%	6.64%	142%	
(EBITDA over revenue)				
EBIT %	6.61%	-3.17%	308%	
(EBIT over revenue)				
Return on Capital Employed %	7.23%	-2.40%	402%	
(EBIT over capital employed)				
Capital employed: Equity share capital+other equity-Intangible assets-Misc. exp not written off+Non current borrowings+ Current maturity of borrowings+Non-current lease liability and current maturity of lease liability+Deferred tax liabilities)				
Return on Investment %	5.98%	5.02%	19%	
(Interest on FDs over Weight average of Fixed deposits)				

Note:

EBIT - Earnings before interest and taxes including other income

EBITDA - Earnings before interest, taxes, depreciation and amortisation.

PAT - Profit after taxes.

* Net working capital is -ve

Note No. 49 :

The business activity of the company falls within one broad business segment viz. "Chemicals". Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

Note No. 50 :

As at 31 March 2025, the Company's current liabilities exceed its current assets by ₹9313.66 Lakhs. During the year, the Company has generated positive cashflows from operations amounting to ₹6443.35 Lakhs. Current liabilities as at 31 March 2025 include outstanding short-term loans (excluding current maturities of long term loans) of ₹6004.65 Lakhs. As per the estimated projections, the Company expects to generate positive cashflows from its operations in the foreseeable future. Considering the above, the Company is of the view that it will be able to meet its obligations, as and when due, for a period of at least 12 months from the balance sheet date. Therefore, the management believes that the use of going concern assumption in preparation of these financial statements is appropriate.

Notes on Consolidated Financial Statements for the Year ended March 31, 2025

Note No. 51 :

- a) To make the financial statements more relevant and provide appropriate information to the users, the corresponding figures of the previous year have been re-grouped/reclassified in following cases:
- i) "Labour Charges" amounting to ₹497.37 Lakhs was shown under "Other Expenses" (Note No. 32) in previous year, however the same has been reclassified under head "Employee Benefits Expenses" (Note No. 30).
- b) The figures have been rounded off to the nearest ₹ Lakhs.

Note No. 52 :

The Board of Directors of the Company, duly taking into account all the relevant disclosures made, has approved these Consolidated financial statements in its meeting held on May 30, 2025.

Sd/-
(SUNIL PARSAD)
Chief Financial Officer
FCA-503478

Sd/-
(SUGANDHA KUKREJA)
Company Secretary & CHRO
FCS-11578

Sd/-
(JATIN DAHIYA)
Executive Director
DIN:08106876

Sd/-
(NAVEEN CHOPRA)
Managing Director
DIN:08465391

As per our separate report of even date
For **S. Tandon & Associates LLP**
Chartered Accountants
Firm Registration No. 006388N
ICAI UDIN: 25518893BMKRPW7593
Sd/-

(NIPUN RASTOGI)
Partner
Membership No. 518893

Place: Chandigarh
Date : 30 May, 2025

[illegible]



PRIMO
CHEMICALS LTD.

50
Years
Anniversary

REGISTERED & CORPORATE OFFICE:

Bay No. 46-50, Sector 31-A,
Chandigarh, 160030, India

W: www.primochemicals.in

CIN: L24119CH1975PLC003607

