

Indokem Limited

(CIN: L31300MH1964PLC013088)

Registered Office:
"KHATAU HOUSE," Ground Floor
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Phone : 022-61236767
Fax : 022-61236718
E-mail : iklsecretarial@gmail.com
Website: www.indokem.co.in

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 504092

Subject: Submission of the Annual Report under Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Respected Sir/ Madam,

The **59th Annual General Meeting** of the Indokem Limited ("the Company") will be held on **Thursday, September 25, 2025, at 2:00 p.m. (IST)** via Video Conferencing /Other Audio-Visual Means.

Pursuant to Regulations 30 and 34(1) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report along with the Notice of the 59th AGM and other Statutory Reports of the Company for FY 2024-25. The same is being sent through electronic mode to those Members whose email addresses are registered with the Company/its Registrar and Transfer Agent (RTA)/Depositories. Further, pursuant to Regulation 36(1)(b) of the SEBI Listing Regulations, the Company is also sending a letter to those shareholders whose email addresses are not registered with the Company/RTA/Depositories, providing the weblink and QR code for accessing the Annual Report on the Company's website.

The said Annual Report and Notice of 59th AGM are also available on the website of the Company at the following link: <https://www.indokem.co.in/Annual-Report.php>.

This is for your information and records.

Thanking You,
Yours Truly,
For **INDOKEM LIMITED**

Rajesh D. Pisal
Company Secretary and Compliance Officer
Mumbai, 1st September, 2025

Encl: As above



A Khatau Enterprise

ANNUAL REPORT 2024-25



APPEAL TO SHAREHOLDERS

In accordance with the SEBI circulars No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, and No. SEBI/HO/MIRSD/MIRSD_PoD-1/P/CIR/2023/158 dated September 26, 2023, all shareholders holding securities in physical form are required to comply with Know Your Customer (KYC) norms on or before December 31, 2023.

Effective January 1, 2024, in cases where KYC documents have not been submitted, payment of dividends, interest, or redemption amounts will be made only through electronic mode and only upon completion of KYC formalities.

Further, as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 2, 2025, SEBI has introduced a special window from July 7, 2025, to January 6, 2026 for re-lodgment of physical transfer requests. This provides a final opportunity for investors to regularize transfer deeds that were lodged before April 1, 2019, but were rejected or left unprocessed due to documentation deficiencies.

Support the Green Initiative

To support the Government's green initiative, members are requested to register their email addresses:

- For electronic holdings: with their Depository Participants.
- For physical holdings: directly with the Company or its Registrar and Share Transfer Agent (RTA).

In compliance with the Ministry of Corporate Affairs (MCA) and SEBI circulars, the Notice of the Annual General Meeting (AGM) along with the Annual Report for FY 2024-25 is being sent only through electronic mode to those members whose email addresses are registered with the Company / NSDL / CDSL (collectively, the "Depositories") / RTA.

Shareholders whose email addresses are not registered have been sent an AGM intimation letter with a link to view/download the Annual Report.

Once registered, all shareholder communications will be sent to the registered email ID linked to your Folio No. / DP ID and Client ID. This not only ensures prompt and secure delivery of information but also supports environmental conservation by reducing paper usage.

We seek your wholehearted support in embracing this eco-friendly initiative taken by the MCA and Indokem Limited.

REGISTRAR & SHARE TRANSFER AGENT:

MUFG Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai- 400 083.

Contact No.: +91 8108116767 / 022 - 4918 6270

Email: rnt.helpdesk@in.mpms.mufg.com

Service Request:

https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

Swayam Portal: <https://swayam.in.mpms.mufg.com/>

Website: <https://in.mpms.mufg.com/>

SECRETARIAL DEPT.

INDOKEM LIMITED

Khatau House, Plot No. 410,
Mogul Lane, Mahim (West),
Mumbai - 400016.

Tel No.: +91-22- 6123 6711 / 6123 6767

Email: iklsecretarial@gmail.com

Website: www.indokem.co.in

INDOKEM LIMITED
(CIN : L31300MH1964PLC013088)

BOARD OF DIRECTORS:

Mr. Mahendra Kishore Khatau
Mr. Arupkumar Basu
Mr. Manish Mahendra Khatau
Mrs. Asha Mahendra Khatau
Mr. Rahul Singh
Mr. Suyash Neelkanth Bhise
Mrs. Sneha Vidyadhar Khandekar
Mr. Adarsh Pankaj Shukla

Chairman and Managing Director
Managing Director
Whole-time Director
Non-executive Director
Non-executive Independent Director
Non-executive Independent Director
Non-executive Independent Director
Non-executive Independent Director

KEY MANAGERIAL PERSONNEL:

Ms. Rupal Bhupendra Parikh
Mr. Sivarama Krishna Gunturi
Mr. Rajesh Dinkar Pisal

Chief Financial Officer (Resigned w.e.f. 09th May, 2025)
Chief Financial Officer (Appointed w.e.f. 09th May, 2025)
Company Secretary and Compliance Officer

STATUTORY AUDITORS:

CNK & Associates LLP

SECRETARIAL AUDITORS:

Jay & Associates (F. Y. 2024-25)
Mayur More & Associates (F. Y. 2025-26 to 2029-30)

COST AUDITORS:

Y. S. Gokhale & Associates

BANKERS:

ICICI Bank Ltd.
Utkarsh Small Finance Bank Ltd.
HDFC Bank Ltd.
Bank of India
Indian Overseas Bank

REGISTRAR & SHARE TRANSFER AGENT:

M/s. MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
C-101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400 083
Swayam Portal: <https://swayam.in.mpms.mufg.com/>
Website: <https://in.mpms.mufg.com/>

REGISTERED OFFICE:

Khatau House, Plot No: 410,
Mogul Lane, Mahim (West), Mumbai - 400 016.
Tel No.: +91-22- 6123 6767 / 6123 6711
Email: iklsecretarial@gmail.com
Website: www.indokem.co.in

SUBSIDIARIES:

Indokem Bangladesh (Pvt.) Limited
Refnol Overseas Limited
Texcare Middle East LLC

CONTENTS	PAGES
Chairman's Message	2-3
Notice of Annual General Meeting	4-24
Directors' Report	25-34
Annexure to Directors Report	35-41
Secretarial Audit Report	42-44
Management Discussion and Analysis Report	45-51
Corporate Governance Report	52-69
Standalone Financial Statements	
Independent Auditors Report	71-79
Financial Statements	80-126
Consolidated Financial Statements	
Independent Auditors Report	127-133
Financial Statements	134-177

59th Annual General Meeting (AGM)

Day, Date & Time: Thursday, 25th September, 2025 at 2.00 P.M.
Through Video Conferencing ("VC") / Other Audio Visual Means.

CHAIRMAN'S MESSAGE

My Dear Shareholders,

I hope you and your families are safe and in good health. I extend my heartfelt thanks for your enduring trust in Indokem Limited.

On behalf of the Board of Directors and the management of the Company, I warmly welcome you to the 59th Annual General Meeting of your Company. We are deeply grateful for your continued support, confidence and engagement, which have been instrumental in our journey and achievements.

It is my privilege to address you at the close of a year that has been both challenging and rewarding for Indokem Limited. Despite a tough macroeconomic environment and headwinds faced by the industry, we delivered a strong performance — a testament to our resilience, agility and unwavering values.

The overall macro environment in the financial year 2024–25 remained challenging, with India's Gross Domestic Product (GDP) growth moderating to around 6.5%, compared to 8.2% in the previous year. Consumption trends were weak across sectors, as persistent inflation and limited wage growth affected consumer sentiment.

Indokem remains a resilient company built on a strong foundation, committed to its long-term strategy and poised for future growth. We have endeavored to present the Company's information in a comprehensive manner for a deeper and richer understanding of our sustainable journey.

Turning to our financial performance, the total gross revenue earned by the Company was ₹15,430 Lakhs as against ₹13,991 Lakhs in the previous year, marking a growth of 10.28%. Profit after tax for FY 2024–25 stood at ₹92 Lakhs, a significant improvement from the loss after tax of ₹526 Lakhs in FY 2023–24. The Company remains focused on driving operational excellence to enhance its resilience and effectively manage market cyclicity. The outlook for our portfolio remains stable for FY 2025–26 and our medium-term prospects are positive.

Our international business performance was mixed during the year. Overall, the segment registered a revenue growth of approximately 17%. Despite varied challenges across regions, we remained committed to strengthening the foundation of our global operations. Through enhanced customer engagement and a sharper focus on refining our product and service offerings, we continue to make steady progress towards sustainable, long-term growth in viable markets.

Looking ahead, we are exploring strategic partnerships to strengthen our capabilities and expand our market reach. One such promising development is our prospective agreement with RDX Digital Technologies, a forward-looking initiative aimed at enhancing our digital infrastructure and automation capabilities. This collaboration, once finalized, is expected to significantly improve operational efficiency, streamline processes and support our long-term growth strategy by leveraging digital innovation.

I am pleased to share that our major products have received GOTS (Global Organic Textile Standard) certification. The Company has also invested in automation and attractive packaging for its products, yielding positive results. We have enhanced our laboratory capabilities with quality control machinery and qualified personnel to meet global standards. Additionally, the Company has successfully registered the majority of its products under the Zero Discharge of Hazardous Chemicals (ZDHC) programme. We have also been assessed and certified under ISO 9001:2015 and ISO 45001:2018 standards. It is also heartening to note that free medical check-ups were arranged for our employees and labourers at all offices and manufacturing facilities.

We continued to innovate by launching new products, progressing steadily in our journey. At the same time, we remain committed to the highest standards of corporate governance—treating them as an ethical obligation rather than a mere regulatory requirement. Our actions are grounded in the principles of fairness, trust and transparency.

Looking ahead, we expect the business environment to remain inherently uncertain and unpredictable. In such a scenario, only those organizations that stay relevant to the evolving needs and preferences of customers—and that adapt their business models accordingly—will succeed in delivering long-term growth and sustainable returns for all stakeholders.

We are living in extraordinary times that are reshaping the way we live and work. Though our inspiring and visionary founder, Shri Dharamsey Khatau, is no longer with us, the values he upheld—Integrity, Excellence, Humility, Hard Work and a Larger Purpose—continue to guide us as we strengthen our people, processes and products, while envisioning the future of our Company.

Looking ahead, we are confident that our expanded installed base, newly introduced products and the implementation of an industry- and product-segment-wise go-to-market strategy will accelerate our progress. On behalf of the Board, I thank our shareholders for your continued trust and support in taking Indokem to greater heights.

Even after decades of progress, we operate with the same sense of renewal, optimism and purpose. At Indokem, we deeply value the involvement, critical insights and encouragement offered by our Directors and I consider myself privileged to have them on our Board. I also appreciate the contributions of every member of the Khatau family—while our numbers grow, our purpose remains unified and shared.

Through both past challenges and the evolving future we envision, our unwavering source of strength is the indomitable spirit of our employees. I sincerely thank them for their commitment, patience and hard work. I am also grateful to our customers, suppliers, bankers and financial institutions for their continued support and for helping us refine our vision and growth strategies. We acknowledge the cooperation and goodwill received from shareholders and we appreciate the positive engagement of the communities around our production facilities.

We are thankful to all our stakeholders:

- Customers – for inspiring us to innovate and improve every day
- Employees – for making our workplace vibrant, diverse and dynamic
- Society – for offering us the opportunity to serve
- Shareholders – for encouraging our value-creation journey

We strive to give back more than we take.

To conclude, we remain committed and optimistic about achieving our long-term goals of inclusive, sustainable and profitable growth. As we look to the future, I am confident that our disciplined strategy, prudent approach, agile execution and a dedicated team will enable us to enhance our performance and generate greater value for all our stakeholders.

Sincerely,

Mahendra K. Khatau
Chairman and Managing Director
DIN: 00062794

INDOKEM LIMITED

(CIN: L31300MH1964PLC013088)

Regd. Office: Khatau House, Plot No. 410, Mogul Lane, Mahim (West), Mumbai - 400 016.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **FIFTY NINTH (59th) Annual General Meeting** ("AGM") of the members of Indokem Limited ("the Company" or "Indokem") will be held on Thursday, September 25, 2025, at 2:00 p.m. IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

The proceedings of the Fifty Ninth Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Khatau House, Plot No. 410, Mogul Lane, Mahim (West), Mumbai - 400 016 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

Item No.1 – To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Reports of the Board of Directors and Auditors thereon:

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted."

Item No.2 – To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Report of the Auditors thereon:

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Report of the Auditors thereon, as circulated to the Members, be considered and adopted."

Item No. 3 – Re-appointment of Mrs. Asha Mahendra Khatau as Director, liable to retire by rotation:

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Asha Mahendra Khatau (DIN: 00063944), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

Item No. 4 – Re-appointment of Mr. Rahul Singh (DIN: 07477748) as an Independent Director for the Second term:

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('the Act'), if any, read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Regulation 17, 25 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time and the Articles of Association of the Company, as well as based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Rahul Singh (DIN: 07477748), who was appointed as an Independent Director at the 54th AGM of the Company for a period of five years, i.e., from September 29, 2020 up to September 28, 2025 (both days inclusive) and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the

office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second consecutive term commencing from September 29, 2025 and ending on September 28, 2030 (both days inclusive).

RESOLVED FURTHER THAT any of the Director(s) or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

Item No. 5 - Appointment of Secretarial Auditors:

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, M/s. Mayur More & Associates, Practicing Company Secretary (CP No: 13104 and Peer Review Certificate No. 2584/2022) be appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive years, to conduct the Secretarial Audit for five consecutive financial years commencing from FY 2025-26 to FY 2029-30 on such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Audit Committee/Board of Directors of the Company.

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board of Directors to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the applicable laws, at a remuneration to be determined by the Audit Committee/Board of Directors of the Company.

RESOLVED FURTHER THAT any of the Director(s), Company Secretary and/or any person authorised by the Board, be and is hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

Item No. 6 - Ratification of Remuneration of Cost Auditors:

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, for the time being in force (including any statutory modification(s) or re-enactment thereof), the remuneration of Rs. 1,40,000/- (Rupees One Lakh Forty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors of the Company, to be paid to M/s. Y. S. Gokhale & Associates, Cost Accountants, (Membership No. 32936, Firm Registration No. 101710), for conducting the audit of the cost records of the Company for the financial year ending March 31, 2026, be and is hereby ratified.

RESOLVED FURTHER THAT any of the Director(s), Company Secretary and/or any person authorised by the Board, be and is hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

Item No. 7 - Approval for undertaking Material Related Party Transactions with Orchard Acres:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions and subject to such approval(s), consent(s) and/or permission(s) as may be

required and based on the recommendation of the Audit Committee, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted or to be constituted by the Board) to enter into material related party transaction(s)/contract(s)/arrangement(s)/agreement(s) (whether individually or taken together or as a series of transactions) as set out in the explanatory statement annexed hereto, with Orchard Acres, on such terms and conditions as may be mutually agreed between the Company and Orchard Acres, for an aggregate value not exceeding ₹41 crore during FY 2025–26, provided that such transaction(s) are undertaken at arm's length pricing and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s)/arrangement(s)/agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer/Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and are hereby approved, ratified and confirmed in all respects."

Item No. 8 - Approval for undertaking Material Related Party Transactions with Texcare Middle East LLC:

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions and subject to such approval(s), consent(s) and/or permission(s) as may be required and based on the recommendation of the Audit Committee, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted or to be constituted by the Board) to enter into material related party transaction(s)/contract(s)/arrangement(s)/agreement(s) (whether individually or taken together or as a series of transactions) as set out in the explanatory statement annexed hereto, with Texcare Middle East LLC ("Texcare"), on such terms and conditions as may be mutually agreed between the Company and Texcare, for an aggregate value not exceeding ₹30 crore during FY 2025–26, provided that such transaction(s) are undertaken at arm's length pricing and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s)/arrangement(s)/agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer/Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and are hereby approved, ratified and confirmed in all respect."

Item No. 9 - Approval for undertaking Material Related Party Transactions with Indokem Bangladesh (Pvt.) Limited:

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws/statutory provisions, if any, the Company’s Policy on Related Party Transactions and subject to such approval(s), consent(s) and/or permission(s) as may be required and based on the recommendation of the Audit Committee, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee or any other Committee constituted or to be constituted by the Board) to enter into material related party transaction(s)/contract(s)/arrangement(s)/agreement(s) (whether individually or taken together or as a series of transactions) as set out in the explanatory statement annexed hereto, with Indokem Bangladesh (Pvt.) Limited (‘Indokem Bangladesh’), on such terms and conditions as may be mutually agreed between the Company and Indokem Bangladesh, for an aggregate value not exceeding ₹22.50 crore during FY 2025–26, provided that such transaction(s) are undertaken at arm’s length pricing and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s)/arrangement(s)/agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer/Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and are hereby approved, ratified and confirmed in all respect.”

**For Indokem Limited
By order of the Board**

Sd/-

**Rajesh Dinkar Pisal
Company Secretary & Compliance Officer**

**Place: Mumbai
Date: August 08, 2025**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), in respect of Items No. 4 to 9 and the Special Business set out in the Notice of the Annual General Meeting (“AGM”), the details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Clause 1.2.5 of the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, in respect of the person seeking re-appointment as a Director at this AGM, are furnished as **Annexure - A** to the Notice.
2. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and the latest being 09/2024 dated September 19, 2024 (collectively referred to as the “MCA Circulars”) and issued by the Ministry of Corporate Affairs (“MCA”) regarding the convening of AGMs through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), the 59th AGM of the Company is being convened through VC/OAVM without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India (“SEBI”), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 (“SEBI Circulars”), has also provided relaxations under the Listing Regulations.

In compliance with the provisions of the Act, the Listing Regulations and the above Circulars, the 59th AGM will be held through VC/OAVM on Thursday, September 25, 2025, at 2:00 p.m. IST. The deemed venue of the AGM shall be the Registered Office of the Company at Khatau House, Plot No. 410, Mogul Lane, Mahim (West), Mumbai – 400 016.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf. The proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM. Hence, the proxy form, attendance slip and route map of the AGM venue are not annexed to this Notice.
4. As per Clause 3.A.II of General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the items of Special Business as appearing at Item Nos. 4 to 9 of the Notice are considered to be unavoidable by the Board and, therefore, form part of this Notice.
5. Institutional/Corporate Members (i.e., other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/JPG format) of the Board Resolution or other valid authorization authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting. The said authorization should be emailed to the Scrutinizer at pcssamitatankasale@gmail.com with a copy to evoting@nsdl.com.

Institutional Members may also upload their Board Resolution/Power of Attorney/Authority Letter, etc., by clicking on the "Upload Board Resolution/Authority Letter" option under the "e-Voting" tab in their login at the NSDL e-voting website.

6. Only registered Members of the Company shall be entitled to attend and vote at the AGM through the VC/OAVM facility.
7. In the case of joint holders, the Member whose name appears first in the Register of Members as on the cut-off date shall be entitled to vote at the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of quorum under Section 103 of the Companies Act, 2013.
9. Members can join the AGM through VC/OAVM mode 15 minutes before and up to 15 minutes after the scheduled time of commencement of the Meeting by following the instructions provided in the Notice. The facility for joining the AGM will be available for 1,000 Members on a first-come, first-served basis. This restriction shall not apply to large shareholders (i.e., shareholders holding 2% or more of the shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and Auditors, who are allowed to attend the AGM without such restriction. Members will also be able to view the proceedings of the AGM on NSDL's e-voting website at www.evoting.nsdl.com.
10. In line with the MCA and SEBI Circulars, the Notice of the AGM and the Annual Report for the financial year 2024–25 are being sent electronically to Members whose email addresses are registered with the Company/ NSDL/CDSL (collectively referred to as "Depositories") or the Registrar & Transfer Agent ("RTA"), unless a Member has specifically requested a physical copy. Members may request a physical copy of the Integrated Annual Report 2024–25 by sending an email to iklsecretarial@gmail.com mentioning their Folio No./DP ID/ Client ID.

The AGM Notice and Annual Report 2024–25 are also available on the Company's website at www.indokem.co.in and on the websites of BSE Limited www.bseindia.com and NSDL www.evoting.nsdl.com.

11. Electronic copies of all documents referred to in the accompanying Notice and the Explanatory Statement shall be made available for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days up to the date of the AGM. During the 59th AGM, Members may access scanned copies of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, upon logging in at www.evoting.nsdl.com. Members seeking inspection of statutory registers or other relevant documents may send their request to the Company at iklsecretarial@gmail.com.

12. Pursuant to the acquisition of Link Group by Mitsubishi UFJ Trust & Banking Corporation, the name of the Registrar & Transfer Agent (RTA) of the Company has been changed from Link Intime India Private Limited to MUFG Intime India Private Limited, with effect from December 31, 2024.
13. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, September 19, 2025 to Thursday, September 25, 2025** (both days inclusive).
14. Members are requested to promptly notify any change in their name, postal address, e-mail address, contact numbers, PAN, mandates, bank details, etc. to their DPs for equity shares held in dematerialised form and to MUFG Intime India Private Limited for equity shares held in physical form.

Members holding shares in physical mode should submit to MUFG Intime India Private Limited, the Forms given below along with requisite supporting documents:

Sr. No	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes/updation thereof	ISR-1
2.	Confirmation of Signature of Member by the Banker	ISR-2
3.	Registration of Nomination	SH-13
4.	Cancellation or Variation of Nomination	SH-14
5.	Declaration to opt out of Nomination	ISR-3

Members may refer to the detailed process available at <https://web.in.mpms.mufg.com/KYC-downloads.html> and proceed accordingly.

They may also refer to SEBI's FAQs available at: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf

15. SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that listed companies shall process all service requests (such as issue of duplicate certificates, claim from unclaimed suspense account, renewal/exchange, endorsement, sub-division, consolidation, transmission and transposition) only in dematerialised form.

Accordingly, Members are requested to make such service requests by submitting a duly filled and signed Form ISR-4. The form is available on the Company's website www.indokem.co.in and on the RTA's website at <https://web.in.mpms.mufg.com/KYC-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

16. SEBI, vide notification dated January 24, 2022, amended Regulation 40 of the Listing Regulations to mandate that all requests for transfer of securities, including transmission and transposition, shall be processed only in dematerialised form.

To eliminate risks associated with physical share certificates and to avail benefits of dematerialisation, Members holding shares in physical form are advised to dematerialise their holdings. They may contact the Company or its RTA for assistance in this regard.

17. As per the provisions of Section 72 of the Act and SEBI circulars, Members may nominate a person in respect of the shares held by them. Members who have not yet registered their nomination are requested to submit Form SH-13.

To cancel or change a nomination or to opt out of nomination, Members may submit Form SH-14 or ISR-3, as applicable. The said forms can be downloaded from our website at <https://www.indokem.co.in/Investor-Forms.php> and website of the Registrar and Transfer Agent ('RTA') at <https://web.in.mpms.mufg.com/KYC-downloads.html>. Members are requested to submit the said details to their DPs in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.

18. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 (updated as on August 11, 2023), has introduced an Online Dispute Resolution (ODR) Portal for dispute resolution in the securities market.

Investors who have exhausted their grievance redressal avenues with the Company or the RTA and through SEBI's SCORES platform, may initiate dispute resolution through the ODR Portal at: <https://smartodr.in/login>.

19. Members are requested to note that, as per the provisions of the Companies Act, 2013 and the IEPF Rules, dividends not claimed for a period of 7 consecutive years are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority.

Accordingly, Members are requested to claim their unpaid dividends from the Company at the earliest.

20. Members whose shares and/or unclaimed dividends have already been transferred to the IEPF may contact the Company or its RTA to obtain the required documents, including the Entitlement Letter. Members can then submit Form IEPF-5, available at www.iepf.gov.in, along with the requisite documents, to claim such shares/dividends.
21. To support the 'Green Initiative' in accordance with the Ministry of Corporate Affairs' (MCA) circulars, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form. This will enable the Company to send all communications, including the Annual Report and Notice of General Meetings, electronically, thereby supporting paperless communication.

22. VOTING BY MEMBERS:

- a) In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circulars, the Company is providing its Members with the facility to exercise their right to vote on the resolutions proposed at the AGM through electronic means, using the NSDL e-Voting system. Members may vote: (i) remotely prior to the AGM (as explained under Para g below), or (ii) during the AGM (as explained under Para h below). Instructions for attending the AGM through VC/OAVM are provided under Para i.
- b) The voting rights of Members shall be in proportion to the paid-up equity share capital of the Company as on the cut-off date, i.e., Thursday, September 18, 2025.
- c) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to cast their vote through remote e-Voting (either prior to or during the AGM), in respect of shares held by them.
- d) The remote e-Voting period commence on Monday, September 22, 2025 at 9:00 a.m. (IST) and end on Wednesday, September 24, 2025, at 5:00 p.m. (IST). The remote e-Voting facility shall be disabled thereafter by NSDL and Members will not be allowed to vote beyond this time. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- e) Members may exercise their vote through only one mode – either remote e-Voting prior to the AGM or remote e-Voting during the AGM. Members attending the AGM through VC/OAVM who have not cast their vote prior to the AGM may vote during the AGM. However, Members who have already voted prior to the AGM shall not be allowed to vote again during the Meeting but may attend and participate in the AGM.
- f) The Board of Directors has appointed Mrs. Samita Tanksale (Membership No. ACS 26044), Practising Company Secretary, as the Scrutinizer to scrutinize the remote e-Voting process (both before and during the AGM) in a fair and transparent manner. Mrs. Tanksale has communicated her willingness to act as the Scrutinizer.
- g) INSTRUCTIONS FOR REMOTE E-VOTING AND JOINING THE AGM THROUGH VC/OAVM:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

How do I vote electronically using NSDL e-Voting system?


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>s available on</p> <p>► Google Play</p> 

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcssamitatankasale@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on “Upload Board Resolution/Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Sagar S. Gudhate, Senior Manager at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to iklsecretarial@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to iklsecretarial@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members, who would like to express their views/pose questions/register as speaker shareholder at the AGM, may send their questions in advance before Thursday, September 18, 2025 by 2.00 p.m. from their registered email address mentioning their name, demat account number/folio number and mobile number, to the Company's email address iklsecretarial@gmail.com. The Members who have registered themselves as speaker will only be allowed to ask queries/express their views during the AGM. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.

**For Indokem Limited
By order of the Board**

**Place: Mumbai
Date: August 08, 2025**

**Sd/-
Rajesh Dinkar Pisal
Company Secretary & Compliance Officer**

Registered Office:

Khatau House, Plot No. 410,
Mogul Lane, Mahim (West),
Mumbai – 400 016.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:

ITEM NO. 4: Re-appointment of Mr. Rahul Singh (DIN: 07477748) as an Independent Director

Mr. Rahul Singh (DIN: 07477748) was appointed as an Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Appointment Rules"), at the 54th Annual General Meeting of the Company held on September 29, 2020, for a term of five consecutive years. His current term will expire on September 28, 2025 and he is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Rahul Singh, the Board of Directors is of the view that his continued association would benefit the Company. Accordingly, the Board, at its meeting held on May 9, 2025, approved the re-appointment of Mr. Rahul Singh as an Independent Director of the Company, not liable to retire by rotation, for a second consecutive term of five years commencing from September 29, 2025 to September 28, 2030 (both days inclusive), subject to approval of the Members.

In terms of Section 160(1) of the Act, the Company has received a notice in writing from a Member proposing the candidature of Mr. Rahul Singh for the office of Director. A brief profile of Mr. Rahul Singh, along with other requisite details as per the Listing Regulations and Secretarial Standard-2 on General Meetings, is provided in the Annexure to this Notice.

Mr. Rahul Singh has provided a declaration to the Board confirming that (i) he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); (ii) he is not restrained from acting as a Director by any order passed by SEBI or any other authority; (iii) he is eligible for appointment as a Director under Section 164 of the Act; and (iv) he is not aware of any circumstances which may affect his ability to discharge his duties with an objective and independent judgment, free from external influence. He has also consented in writing to act as a Director by submitting Form DIR-2 pursuant to Rule 8 of the Appointment Rules.

In the opinion of the Board, Mr. Rahul Singh is a person of integrity and possesses the requisite qualifications, experience and expertise. He fulfills the conditions for re-appointment as an Independent Director as specified in the Act and Listing Regulations and is independent of the management.

The Board considers that the continued association of Mr. Rahul Singh would be of significant value to the Company and accordingly recommends the resolution set out in Item No. 4 of the Notice for the approval of the Members.

A copy of the terms and conditions of his appointment is available for inspection at the Registered Office of the Company and is also accessible on the Company's website at www.indokem.co.in.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives, except Mr. Rahul Singh and his relatives, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5: Appointment of Secretarial Auditors

Pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), every listed company is required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to its Board's Report prepared under Section 134(3) of the Act.

Further, in terms of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, every listed entity and its material Indian subsidiaries are also required to conduct Secretarial Audit and annex the report to their Annual Report. Additionally, SEBI mandates that a listed entity must appoint a Secretarial Auditor for a maximum of two terms of five consecutive years, with shareholders' approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on August 08, 2025, approved the appointment of M/s Mayur More & Associates, Company Secretaries (Unique Identification No. S2014MH250800), as the Secretarial Auditors of the Company for a term of five (5) consecutive years, from April 1, 2025 to March 31, 2030, subject to approval of the Members at this Annual General Meeting.

M/s Mayur More & Associates has confirmed that:

- they hold a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (“ICSI”);
- they are not disqualified from being appointed as Secretarial Auditors;
- there is no conflict of interest; and
- they have not undertaken any prohibited non-secretarial audit assignments for the Company or its group entities.

In recommending the appointment, the Board and the Audit Committee considered various factors, including the firm's technical expertise, experience in handling secretarial audits for companies in similar industries, regulatory understanding, capability to manage complex business structures and overall professional standing.

M/s Mayur More & Associates, established in 2014, is a Practicing Company Secretaries firm registered with ICSI. The firm offers end-to-end advisory and compliance services across Corporate Laws, business setup, governance frameworks, regulatory approvals and corporate restructuring. It is led by Mr. Mayur More, a Fellow Member of ICSI and a graduate in law and commerce from Mumbai University. Mr. More has been recognised as “Best Presenter” at an ICSI-WIRC seminar and is known for his subject expertise and practical legal insights.

The terms of appointment include a tenure from April 1, 2025 to March 31, 2030, with a remuneration of ₹45,000/- (Rupees Forty-Five Thousand only) for FY 2025-26. The remuneration for subsequent financial years shall be mutually agreed between the Board and M/s Mayur More & Associates. Any additional fees for certifications and other services shall be decided separately by the management, in consultation with the Secretarial Auditors and approved by the Board or Audit Committee, as applicable.

M/s Mayur More & Associates has given their consent to act as the Secretarial Auditors of the Company and confirmed that their appointment, if made, would be in accordance with the applicable provisions of the Act and the Listing Regulations.

Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 5 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

ITEM NO. 6: Ratification of the Remuneration of Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 (“the Act”) read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and have them audited by a Cost Accountant in practice for its products as prescribed under the said Rules.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. Y. S. Gokhale & Associates, Cost Accountants (Firm Registration No. 101710, Membership No. 32936) as the Cost Auditors of the Company to conduct the audit of cost records for the financial year ending March 31, 2026, at a remuneration of ₹1,40,000/- (Rupees One Lakh Forty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any.

In accordance with Section 148(3) of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as approved by the Board, is required to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for ratification of the remuneration payable to the Cost Auditors for FY 2025-26, by way of an Ordinary Resolution, as set out in Item No. 6 of the accompanying Notice.

M/s. Y. S. Gokhale & Associates have furnished a certificate dated July 30, 2025 confirming their eligibility for appointment under Section 148 and Rules framed thereunder. The firm has considerable experience in the field of cost audit and has previously conducted the audit of the Company's cost records in compliance with applicable laws.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in the said Resolution.

ITEMS NOS. 7 TO 9:

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia mandates that all Material Related Party Transactions ("RPTs") shall require prior approval of the Members of the Company through an Ordinary Resolution, even if such transactions are in the ordinary course of business and at arm's length pricing.

A transaction with a related party shall be considered material if, individually or taken together with previous transactions during a financial year, it exceeds ₹1,000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements, whichever is lower.

As per Regulation 2(1)(zb) of the Listing Regulations, a "related party" has been defined comprehensively and Regulation 2(1)(zc) defines a "related party transaction" to include a transfer of resources, services, or obligations between:

- (i) a listed entity or any of its subsidiaries, on one hand and a related party of the listed entity or its subsidiaries, on the other hand; or
- (ii) a listed entity or any of its subsidiaries, on one hand and any other person or entity, on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or its subsidiaries, regardless of whether a price is charged or not.

Brief Overview of the Related Parties:

Orchard Acres:

A partnership firm engaged in the trading of dyes and chemicals. The Company regularly undertakes sales and purchases of goods with Orchard Acres and has taken premises on leave and license for five years (April 1, 2022 to March 31, 2027) under an agreement. These transactions support operational continuity, flexible credit arrangements and mutual profitability.

Texcare Middle East LLC:

A foreign step-down subsidiary of Indokem Limited, incorporated in the UAE to undertake trading activities. Transactions involve the sale and purchase of goods/services in the ordinary course of business, with mutually agreed terms. Common promoters exercise significant influence over both entities.

Indokem Bangladesh (Pvt.) Limited (IBPL):

A foreign subsidiary incorporated on April 30, 2023, with 80% shareholding held by Indokem Limited. IBPL is engaged in manufacturing and trading activities in Bangladesh. Transactions include sales, procurement and inter-company loans/interest, aligned with the commercial objectives of both companies.

Background and Benefits of the Proposed Transactions:

The above related party transactions (RPTs) are part of the Company's routine and ongoing business, essential for smooth group operations. They cover purchase and sale of goods and services, inter-company loans and interest and property rentals.

All transactions are undertaken on an arm's length basis and in the ordinary course of business, in line with the Company's Related Party Transactions Policy. They facilitate operational efficiency, cost savings, geographic reach and margin optimization for all entities involved.

The Audit Committee, comprising Independent Directors and the Board have reviewed the material terms, pricing basis and disclosures provided by the management. The Committee and the Board approved these transactions in their meetings held on February 7, 2025 and May 9, 2025, subject to Members' approval, noting that they are on an arm's length basis and in the ordinary course of business.

Member Approval:

In financial year 2025–26, the Company proposes to enter into related party transactions as detailed in **Annexure B** to this Explanatory Statement, on mutually agreed terms. The aggregate value of such transactions is expected to exceed the materiality thresholds prescribed under Regulation 23 of the Listing Regulations.

As per SEBI requirements, prior Members' approval is sought for these transactions. Related parties, as defined under the Regulations, shall not vote to approve these resolutions, irrespective of their participation in the concerned transaction(s).

Mr. Mahendra Khatau, Mr. Manish Khatau and Mrs. Asha Khatau, being Directors/promoters/relatives of promoters, are deemed concerned or interested in these resolutions. None of the other Directors, Key Managerial Personnel, or their relatives have any interest, financial or otherwise, in these resolutions.

Disclosures required under Regulation 23(4) of the Listing Regulations, read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are provided in **Annexure B**.

The Board recommends the Ordinary Resolutions set out in Item Nos. 7 to 9 of the Notice for Members' approval.

**For Indokem Limited
By Order of the Board**

Place: Mumbai
Date: August 08, 2025

**Sd/-
Rajesh Dinkar Pisal
Company Secretary & Compliance Officer**

Registered Office:
Khatau House, Plot No. 410,
Mogul Lane, Mahim (West),
Mumbai – 400 016.

ANNEXURE - A

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]:

Name of the Director	Mrs. Asha Mahendra Khatau	Mr. Rahul Singh
DIN	00063944	07477748
Date of Birth/Age	67 Years	47 Years
Date of Appointment on the Board	October 30, 2009	August 25, 2020
Qualification	Graduate	LL.B., M.Com., FCS (Fellow Member of the Institute of Company Secretaries of India)
Brief Resume and Expertise in functional areas	Mrs. Asha Khatau is a B.A. Graduate with over 31 years of experience in General Management as a Consultant and Advisor.	Mr. Rahul Singh has over two decades of experience in legal and secretarial functions across industries such as copper, automobile, real estate, telecommunications, mobile manufacturing, aluminium foils, iron & steel, coal mining and power. He has expertise in Corporate Laws, Legal Compliance, IBC, SEBI, FEMA and other applicable laws.
Disclosure of Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Spouse of Mr. Mahendra K. Khatau (Chairman and Managing Director) and mother of Mr. Manish M. Khatau (Whole-time Director).	None
Name of listed entities in which the person also holds the Directorship, Chairmanship and the membership of Committees of the Board	Indokem Limited <ul style="list-style-type: none"> • Member – Risk Management Committee • Member – Committee of Board of Directors 	Indokem Limited <ul style="list-style-type: none"> • Member – Audit Committee • Member – Nomination and Remuneration Committee • Chairman – Stakeholders Relationship Committee
Directorship in other Companies along with listed entities from which the person has resigned in the past three years as on 31.03.2025	Nil	Pyxis Finvest Limited
Shareholding in the Company (Equity Shares)	53,046	Nil
Number of Equity Shares held in the Company for any other person on a beneficial basis	Nil	Nil

Terms and conditions for appointment/re-appointment	Liable to retire by rotation as per Section 152 of the Companies Act, 2013.	Proposed re-appointment as Independent Director for a second term of 5 consecutive years (September 29, 2025 to September 28, 2030)
Remuneration last drawn (in FY 2024- 25), if applicable	₹30,000 as Sitting Fees	₹1,05,000 as Sitting Fees
Number of Meetings of the Board attended during the FY 2024-25	4 out of 4	4 out of 4

ANNEXURE - B

Particulars to be disclosed in terms of Regulation 23(4) of the Listing Regulations, as amended and SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024

1. Orchard Acres

Sr. No.	Particulars	Disclosures
(a)	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Orchard Acres Mr. Mahendra Khatau, Mrs. Asha Khatau and Mr. Manish Khatau — all Promoter Directors of the Company and Ms. Priya Khatau — Promoter of the Company — are Partners in Orchard Acres, holding 40%, 20%, 20% and 20% profit-sharing ratio respectively.
(b)	Type, material terms, tenure, monetary value and particulars of the proposed RPTs	The Company has entered into / proposes to enter into the following RPTs with Orchard Acres during FY26 for an aggregate value not exceeding ₹41 crore: <ul style="list-style-type: none"> • Purchase of goods/services (including material procurement) • Sale of goods/services • Rent paid/payable for property taken on leave and license basis The material terms and conditions are governed by contracts, with pricing based on prevailing market rates and commercial terms as on the date of contract execution.
(c)	Percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year represented by the value of the proposed transaction (and for a subsidiary, also on standalone basis)	The proposed transaction value represents: <ul style="list-style-type: none"> • 23.02% of the Company's consolidated turnover for the financial year ended March 31, 2025 • 309.66% of the standalone turnover of Orchard Acres for the financial year ended March 31, 2025
(d)	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i) Source of funds in connection with the proposed transaction	Not Applicable
	ii) Where any financial indebtedness is incurred: <ul style="list-style-type: none"> • Nature of indebtedness • Cost of funds • Tenure 	Not Applicable
	iii) Applicable terms including covenants, tenure, interest rate, repayment schedule; whether secured or unsecured	Not Applicable
	iv) Purpose of funds utilization by the ultimate beneficiary	Not Applicable
(e)	Justification as to why the RPT is in the interest of the listed entity	Ensures assured quality and quantity of goods and services for uninterrupted operations along with a flexible credit period.

(f)	Any valuation or external report relied upon	Not Applicable
(g)	Any other relevant information	All relevant details are included in the Statement of Material Facts under Section 102(1) of the Companies Act, 2013.

2. Texcare Middle East LLC

Sr. No.	Particulars	Disclosures
(a)	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Texcare Middle East LLC Mr. Mahendra Khatau (Chairman and Managing Director) and Mr. Arupkumar Basu (Managing Director) of the Company are Directors in Texcare Middle East LLC, a foreign subsidiary of the Company, thereby exercising significant influence.
(b)	Type, material terms, tenure, monetary value and particulars of the proposed RPTs	The Company has entered into / proposes to enter into the following RPTs with Texcare Middle East LLC during FY26 for an aggregate value not exceeding ₹30 crore: <ul style="list-style-type: none"> Purchase of goods/services (including material procurement) Sale of goods/services
(c)	Percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year represented by the value of the proposed transaction (and for a subsidiary, also on standalone basis)	The proposed transaction value represents: <ul style="list-style-type: none"> 16.85% of the Company's consolidated turnover for the financial year ended March 31, 2025 103.44% of the standalone turnover of Texcare Middle East LLC for the financial year ended March 31, 2025
(d)	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i) Source of funds in connection with the proposed transaction	Not Applicable
	ii) Where any financial indebtedness is incurred: <ul style="list-style-type: none"> Nature of indebtedness Cost of funds Tenure 	Not Applicable
	iii) Applicable terms including covenants, tenure, interest rate, repayment schedule; whether secured or unsecured	Not Applicable
	iv) Purpose of funds utilization by the ultimate beneficiary	Not Applicable
(e)	Justification as to why the RPT is in the interest of the listed entity	Ensures quality and continuity of goods and services, enables revenue generation and profitability for both entities and enhances geographical presence and market share.
(f)	Any valuation or external report relied upon	Not Applicable
(g)	Any other relevant information	All relevant details are included in the Statement of Material Facts under Section 102(1) of the Companies Act, 2013.

3. Indokem Bangladesh (Pvt.) Limited

Sr. No.	Particulars	Disclosures
(a)	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Indokem Bangladesh (Pvt.) Limited (IBPL) Mr. Manish Khatau (Whole-time Director of the Company) is the Managing Director of IBPL and Mr. Mahendra Khatau (Chairman and Managing Director) is the Chairman and Director of IBPL, thereby exercising significant influence.
(b)	Type, material terms, tenure, monetary value and particulars of the proposed RPTs	The Company has entered into / proposes to enter into the following RPTs with IBPL during FY26 for an aggregate value not exceeding ₹22.50 crore: <ul style="list-style-type: none"> • Purchase of goods/services • Sale of goods/services • Granting/availing of loans/advances and interest payments/receipts
(c)	Percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year represented by the value of the proposed transaction (and for a subsidiary, also on standalone basis)	The value of the proposed transactions represents: <ul style="list-style-type: none"> • 12.63% of the Company's consolidated turnover for the financial year ended March 31, 2025 • Not Applicable – The turnover of IBPL for the financial year ended March 31, 2025 is NIL
(d)	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i) Source of funds in connection with the proposed transaction	Own funds
	ii) Where any financial indebtedness is incurred: <ul style="list-style-type: none"> • Nature of indebtedness • Cost of funds • Tenure 	Not Applicable
	iii) Applicable terms including covenants, tenure, interest rate, repayment schedule; whether secured or unsecured	<ul style="list-style-type: none"> • Tenure – 3 years from disbursement • Interest – Simple interest @ 6% p.a. • Security – Unsecured
	iv) Purpose of funds utilization by the ultimate beneficiary	Working capital and business requirements
(e)	Justification as to why the RPT is in the interest of the listed entity	Supports uninterrupted operations, facilitates business growth in Bangladesh, enhances revenue and profit margins and improves market share.
(f)	Any valuation or external report relied upon	Not Applicable
(g)	Any other relevant information	All relevant details are included in the Statement of Material Facts under Section 102(1) of the Companies Act, 2013.

DIRECTORS' REPORT

To,

The Members of Indokem Limited

The Board of Directors is pleased to present the report on the business and operations of your Company ("the Company" or "Indokem") along with the audited financial statements for the financial year ended **March 31, 2025**.

1. Results of our operations and state of affairs: (₹ in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	15,365	13,951	17,809	16,480
Profit / (Loss) before Interest, Depreciation and Taxes	570	10	837	(60)
Less: Interest	272	294	283	308
Less: Depreciation	207	238	225	251
Profit / (Loss) before Tax	91	(522)	329	(619)
Less: Provision for Tax	-	-	-	-
Less: (Excess) / Short Provision of previous year	(1)	4	15	4
Profit / (Loss) for the year	92	(526)	314	(623)

2. Operational Performance:

(i) Consolidated Financial Performance:

Revenue from operations for FY 2024–25 stood at ₹17,809 lakhs, registering an increase of 8.06% over the previous year's ₹16,480 lakhs. EBITDA increased to ₹837 lakhs from ₹(60) lakhs in FY 2023–24. The Profit After Tax (PAT) improved significantly to ₹314 lakhs as against a loss of ₹623 lakhs in the previous year.

(ii) Standalone Financial Performance:

Revenue from operations for FY 2024–25 increased by 10.14% to ₹15,365 lakhs, compared to ₹13,951 lakhs in the previous year. EBITDA rose to ₹570 lakhs from ₹10 lakhs and PAT improved to ₹92 lakhs from a loss of ₹526 lakhs in FY 2023–24.

(iii) Outlook:

FY 2024–25 was marked by global economic uncertainty and instability. Volatile oil prices disrupted supply chains, while the economic slowdown in China and the Far East, coupled with weak business sentiment in the European Union, impacted both margins and customer demand. Geopolitical tensions further exacerbated the situation across various commodity and user industries.

Despite these challenges, domestic demand remained robust. Though margins were under pressure, healthy volumes enabled continued operations at high capacity utilization. The Company focused on operational efficiency and cost control measures.

The Company took possession of a 5,000 sq. mtr. industrial plot at Additional MIDC, Pale, Ambarnath, District Thane, originally purchased from MIDC in 2015. The Company intends to construct a manufacturing facility for sizing chemicals on this plot, entailing a substantial capital investment.

To further streamline operations and enhance efficiency, the Company also plans to consolidate the warehouse at Village Dahisar Mori into the main unit at Chikhholi MIDC, Ambarnath. This integration is expected to improve manufacturing efficiency, supervision and quality control.

The Company continues to emphasize its export strategy, actively engaging with international markets to explore profitable growth opportunities and demonstrate global competitiveness.

The amalgamation of Refnol Resins and Chemicals Limited has significantly contributed to product diversification, economies of scale, operational rationalization, improved management efficiency and increased shareholder value. The Company is confident that this integration will continue to support long-term growth.

3. Consolidated Financial Statements:

The consolidated financial statements of the Company and its subsidiaries for FY 2024–25 have been prepared in compliance with the Companies Act, 2013 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements, along with the Independent Auditor's Report, form part of this Annual Report.

4. Subsidiary, Associate and Joint Venture Companies:

There was no material change in the nature of the business of the subsidiaries during the year. As of March 31, 2025, the Company had the following subsidiaries:

Sr. No.	Entity	Relationship
1.	Indokem Bangladesh (Pvt.) Limited	Subsidiary
2.	Refnol Overseas Limited	Subsidiary
3.	Texcare Middle East LLC	Step-down subsidiary

The Company has no associate companies or joint ventures.

As required under Section 129 of the Act and Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of subsidiaries in Form AOC-1 is attached as **Annexure B** to this report.

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies will be available to shareholders upon request and are open for inspection. Members may email their request to iklsecretarial@gmail.com until the date of the AGM. These statements are also available on the Company's website at: <https://www.indokem.co.in/subsidiaries-financials.php>.

Pursuant to Regulation 16(1)(c) of the Listing Regulations, the Company has adopted a Policy for determining Material Subsidiaries, available at: <https://www.indokem.co.in/Policies.php>.

5. Share Capital:

The Authorised Share Capital of the Company is ₹30,42,56,000/- (Rupees Thirty Crores Forty-Two Lakhs Fifty-Six Thousand only) consisting 2,83,25,600 (Two Crores Eighty-Three Lakhs Twenty-Five Thousand Six Hundred only) equity shares of ₹10/- each (Rupees Ten) and 21,00,000 (Twenty-One Lakhs) 8% Non-Cumulative Redeemable Preference Shares of ₹10/- each (Rupees Ten).

The paid-up share capital of the Company is ₹29,95,92,300/- (Rupees Twenty-Nine Crores Ninety-Five Lakhs Ninety-Two Thousands Three Hundred only) consisting of 2,78,88,255 of (Two Crores Seventy-Eight Lakhs Eighty-Eight Thousands Two Hundred and Fifty-Five Only) equity shares of ₹10/- each (Rupees Ten) amounting to ₹27,88,82,550/- (Rupees Twenty-Seven Crores Eighty-Eight Lakhs Eighty-Two Thousand Five Hundred Fifty Only). The issued, subscribed and paid up 8% Non-Cumulative Redeemable Preference Shares is 20,70,975 of ₹10/- each amounting to ₹2,07,09,750/- as on March 31, 2025.

There was no change in the Authorised or Paid-up Share Capital of the Company during FY 2024–25. Further, the Company has not issued:

- Any shares with differential voting rights;
- Any sweat equity shares; or
- Any new preference shares.

6. Transfer to Reserves:

In view of the accumulated losses, the Company has not transferred any amount to reserves during the financial year, in accordance with Section 134(3)(j) of the Companies Act, 2013.

7. Dividend:

The Board of Directors does not recommend any dividend on equity shares for the financial year ended March 31, 2025.

8. Investor Education and Protection Fund (IEPF) related information:

There was no unclaimed dividend due for transfer to the IEPF during FY 2024–25.

As per Sections 124 and 125 of the Act and the IEPF Rules, dividends remaining unpaid or unclaimed for seven consecutive years are required to be transferred to the IEPF. The Company requests all members to claim their unpaid dividends within the prescribed timeline.

Concerned shareholders or their legal heirs may claim the transferred dividend amounts and corresponding shares from the IEPF Authority after following the prescribed procedure.

9. Change in the nature of business:

There was no change in the nature of the Company's business during FY 2024–25.

10. Material Changes and Commitments:

There have been no material changes or commitments affecting the financial position of the Company that have occurred between the end of the financial year and the date of this report.

11. Directors and Key Managerial Personnel:

During the year under review, the following changes occurred in the composition of the Board of Directors and Key Managerial Personnel of the Company:

(i) Inductions

- Mr. Sivarama G. was appointed as the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from May 09, 2025.

(ii) Re-appointments

- Mr. Mahendra K. Khatau (DIN: 00062794) was re-appointed as the Managing Director of the Company at the 58th Annual General Meeting held on September 26, 2024, for a period of 3 (three) years with effect from April 1, 2025.

(iii) Retirements and re-appointment at the Annual General Meeting (AGM)

- In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Asha Mahendra Khatau (DIN: 00063944) retires by rotation at the forthcoming Annual General Meeting and, being eligible, has offered herself for re-appointment. A resolution seeking approval of the Members for her re-appointment forms part of the Notice of the AGM. The Board recommends her re-appointment.

(iv) Cessations

- Ms. Rupal B. Parikh resigned from the office of Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from May 09, 2025.

12. Certificates from Practicing Company Secretary:

M/s. Jay & Associates, Practicing Company Secretaries, have issued a certificate pursuant to the Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by SEBI, the Ministry of Corporate Affairs, or any other statutory authority. The said certificate is annexed herewith as **Annexure G**.

13. Training and Familiarization Program for Directors:

In compliance with Regulation 25(7) of the Listing Regulations and provisions of the Companies Act, 2013, the Company has conducted familiarization programs for its Independent Directors to keep them informed about major developments in legal, regulatory and operational matters.

The Policy on Familiarization Program and the details of the programs conducted are available on the Company's website at: www.indokem.co.in

14. Annual Evaluation of Board Performance and Performance of its Committees and Individual Directors:

The Board has established a formal process to annually evaluate its performance and that of its Committees and individual Directors, including the Chairman.

The evaluation was carried out in accordance with the criteria laid down by the Nomination and Remuneration Committee and is broadly based on the Guidance Note on Board Evaluation issued by SEBI on January 5, 2017. Key evaluation parameters included:

- Fulfillment of key responsibilities towards stakeholders;
- Structure, composition and role clarity of the Board and its Committees;
- Coordination and cohesiveness between the Board and Committees;
- Effectiveness of deliberations and decision-making processes;
- Board/Committee dynamics and culture; and
- Quality of relationship between Board and Management.

A separate meeting of Independent Directors held on August 13, 2024, evaluated the performance of Non-Independent Directors, the Board as a whole and the Chairman. The Nomination and Remuneration Committee also reviewed the performance criteria on the same date.

The Board, in its meeting following the above, discussed and noted the overall performance outcomes.

Outcome of Evaluation

The evaluation reflected a high level of satisfaction with the Board's functioning, ethical governance standards and the professional relationship between the Board and Management. Directors appreciated the openness and transparency in information sharing, especially in strategic matters.

15. Policy on Directors' Appointment and Remuneration and other details:

The Company's policy on the appointment and remuneration of Directors, Key Managerial Personnel and other employees as provided under Section 178(3) of the Companies Act, 2013, is disclosed in the Corporate Governance Report, which forms part of this Annual Report.

16. Remuneration of Directors and Key Managerial Personnel:

In accordance with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details relating to the remuneration of Directors and KMP are disclosed in **Annexure A** to this Report.

17. Particulars of Employees:

Disclosures pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure A**.

No employee falls under the criteria specified in Rule 5(2) of the said Rules.

A statement of top ten employees in terms of remuneration drawn and particulars of employees under Rule 5(2) and Rule 5(3) is enclosed as **Annexure I**. In accordance with the proviso to Section 136(1) of the Act, this annexure is not being sent to Members but is available for inspection and may be obtained by request at iklsecretarial@gmail.com.

No employee of the Company is related to any Director or holds 2% or more of the equity share capital of the Company as specified in Rule 5(2).

18. Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors confirms that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) Accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent to give a true and fair view of the Company's state of affairs and profit for the year;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis;
- (v) Internal financial controls have been laid down and are adequate and operating effectively; and
- (vi) Proper systems have been devised to ensure compliance with all applicable laws and such systems are adequate and operating effectively.

19. Audit:

19.1 Statutory Audit

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, at the 56th AGM held on September 29, 2022, the members approved the appointment of M/s. CNK & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: W100036) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 61st AGM to be held in 2027.

The financial statements of the Company have been prepared in accordance with Indian accounting standards (Ind AS) notified under Section 133 of the Act. The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers in their report for the financial year ended March 31, 2025.

19.2 Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s. Jay & Associates, a firm of Company Secretaries in Practice, to conduct the Secretarial Audit of the Company for the year ended March 31, 2025. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure H** and does not contain any qualifications or adverse remarks.

In line with the amended Regulation 24A of the Listing Regulations, the Board in its meeting held on August 08, 2025 has approved the appointment of M/s. Mayur More & Associates as the Secretarial Auditors of the Company for a term of 5 consecutive years with effect from FY 2025-26 to FY 2029-30, subject to approval of the shareholders at the forthcoming AGM.

19.3 Cost Audit and Cost Report:

Pursuant to Section 148(1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly Company has maintained accounts and cost records as required under the Act and the Companies (Cost Records and Audit) Rules, 2014. The members ratified the appointment and remuneration of M/s. Y. S. Gokhale & Associates (Firm Registration No. 101710) as the Cost Auditors for FY 2024-25 on August 13, 2024.

The Board at its meeting held on August 08, 2025 has, on the recommendation of the Audit Committee, approved the reappointment of M/s. Y. S. Gokhale & Associates (Firm Registration No. 101710), as Cost Auditors of the Company for FY 2025-26 on a remuneration of ₹1,40,000/- plus taxes as applicable. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and will accordingly place before the Shareholders for ratification. The same is placed for ratification of Members and forms part of the Notice of the AGM.

19.4 Internal Auditor:

Pursuant to the provisions of Section 138 of the Act, the Board at its meeting held on May 30, 2024 based on the recommendation of the Audit Committee, had approved the appointment of Mr. Mukund Nagpurkar

to conduct the internal audit of your Company for the FY 2024-25. The Board was further informed that Mr. Mukund R. Nagpurkar, the Internal Auditor of the Company for the Financial Year 2024-25, has expressed his willingness to be reappointed.

The Board of Directors at their meeting held on May 09, 2025 has re-appointed Mr. Mukund Nagpurkar as the Internal Auditors of your Company for the FY 2025-26.

20. Instances of fraud reported by the Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Companies Act, 2013.

21. Secretarial Standards:

The Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

22. Corporate Governance:

The Company has duly complied with the requirements of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Corporate Governance Report along with the certificate from M/s. Jay & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance, forms part of this Annual Report and is annexed as **Annexure F**.

23. Management Discussion and Analysis:

The **Management Discussion and Analysis Report**, as required under Regulation 34(2) read with Schedule V of Listing Regulations, 2015 is enclosed and forms part of this Annual Report as **Annexure J**.

24. Annual Return:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year 2024-25 has been uploaded on the Company's website and is accessible at: <https://www.indokem.co.in/Annual-Return.php>.

25. Meetings of the Board of Directors:

During the year under review, four (4) meetings of the Board of Directors were held. The details of these meetings are provided in the Corporate Governance Report. The gap between the meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

26. Board Committees

In compliance with the Companies Act, 2013 and Listing Regulations, the Company has constituted the following statutory Committees of the Board:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

In addition, the Company has also constituted:

- Risk Management Committee
- Committee of Board of Directors
- Vigil Mechanism/Whistle Blower Committee

Details regarding the composition, terms of reference and meetings held by these Committees during the year under review are disclosed in the Corporate Governance Report, which forms an integral part of this Annual Report. There have been no instances where the Board did not accept the recommendations of any of its Committees, including the Audit Committee.

27. Internal Financial Control Systems and their Adequacy:

The Company has in place adequate internal financial control systems commensurate with the nature, size and complexity of its operations. These internal controls are designed to ensure the reliability of financial reporting and compliance with applicable laws and regulations. A detailed analysis of the internal control systems is provided under the section 'Internal Control Systems and their Adequacy' in the Management Discussion and Analysis Report forming part of this Annual Report.

28. Vigil Mechanism / Whistle Blower:

In accordance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has established a Whistle Blower Policy and Vigil Mechanism to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct.

The mechanism provides for adequate safeguards against victimization of employees who avail of the mechanism. No person has been denied access to the Chairman of the Audit Committee.

The policy is available on the Company's website at: <https://www.indokem.co.in/Policies.php>

29. Code of Conduct:

The Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel, which sets out the principles of ethical conduct and integrity. All Directors and Senior Management Personnel have affirmed compliance with this Code for the financial year 2024–25.

The Code is available on the Company's website at the following links:

<https://www.indokem.co.in/pdf/newpdf/Code%20of%20Conduct%20for%20Directors.pdf>

https://www.indokem.co.in/pdf/financial/senior_employee_code_of_conduct.pdf

In accordance with Regulation 34 of the Listing Regulations, a declaration signed by Mr. Mahendra K. Khatau, Chairman and Managing Director, confirming compliance with the Code by all concerned is annexed as **Annexure E** to this Report.

30. Insider Trading Policy:

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has adopted the following codes:

- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

These Codes provide for formulation of trading plans, pre-clearance of trades and prohibition on trading in the Company's securities by Designated Persons and their immediate relatives while in possession of Unpublished Price Sensitive Information and during closure of the Trading Window.

A Structured Digital Database (SDD) is maintained internally containing details of Designated Persons and Connected Persons in accordance with the PIT Regulations.

The Company Secretary has been designated as the Compliance Officer for the effective implementation of the Insider Trading Code.

All Directors, Designated Persons and Connected Persons have affirmed compliance with the above Codes. The Codes are available on the Company's website at:

<https://www.indokem.co.in/pdf/newpdf/Code%20of%20Practices%20and%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf>

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

The Company has in place a Policy on Prevention of Sexual Harassment at workplace aligned with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy covers all employees including permanent, contractual, temporary and trainees.

In compliance with the Act, the Company has constituted an Internal Complaints Committee (ICC) to address complaints of sexual harassment at the workplace. No complaints were filed, disposed off or pending during the financial year under review.

32. Declaration under the Maternity Benefit Act, 1961:

The Company has duly complied with the provisions of the Maternity Benefit Act, 1961 during the year under review. All eligible female employees have been extended the benefits mandated under the Act, ensuring their rights and welfare are upheld in accordance with the applicable statutory requirements.

33. Diversity, Equity and Inclusion

Indokem Limited is committed to promoting diversity, equity and inclusion (DEI) throughout its operations, recognising that these values are key drivers of innovation, productivity and sustainable growth. The Company ensures equality and respect for all individuals, irrespective of gender, ethnicity, age, caste, religion or background. It fosters inclusive workplaces through practices like pay parity, skill development and demographic diversity.

The composition of the workforce of the Company as on March 31, 2025, is as follows:

Gender	Number of Employees	Percentage of Total Workforce
Male	153	86.93%
Female	23	13.07%
Transgender	0	0.00%
Total	176	100.00%

The Company ensures that compensation is based on the skills, experience, and performance of its employees, with no gender bias. The Company focuses on optimising the return on its human capital, making data-driven decisions to guide talent acquisition, resource allocation and employee development strategies.

34. Particulars of Loans, Guarantees and Investments:

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2025, are disclosed in Note No. 5 to the standalone financial statements of the Company.

35. Deposits:

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended. As on March 31, 2025, there were no outstanding amounts of principal or interest. The Company had no unpaid or unclaimed deposits. Accordingly, the provisions of Chapter V of the Act are not applicable.

36. Transactions with Related Parties:

All related party transactions entered into during the year were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations.

There were no transactions falling under the scope of Section 188(1) of the Act. All related party transactions were placed before the Audit Committee and the Board for prior approval. Omnibus approval of the Audit Committee was obtained for transactions of a repetitive nature. Member approval was also obtained for material related party transactions as required under the Listing Regulations.

The Policy on Related Party Transactions is available on the Company's website. Disclosure of such transactions in Form AOC-2 as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure C**. Further details are provided in the Notes to the Financial Statements.

37. Insurance:

All properties and insurable interests of the Company, including buildings, plant and machinery and inventories have been adequately insured.

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

As per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relevant disclosures are as follows:

A. Conservation of Energy:
(a) Energy Conservation measures taken:
(i) Electrical Energy:

- o Regular preventive and predictive maintenance of electrical systems to minimize energy loss.
- o Upgradation of electrical infrastructure to reduce power consumption.

(ii) Furnace Oil / LDO Consumption:

There is no major consumption of Furnace Oil / Light Diesel Oil. However, there are some processing activities carried out limiting the consumption of energy.

(b) Additional investments and proposals if any, being implemented for reduction of consumption of energy:

The Company is in the process of upgrading and installing energy-efficient machinery, expected to enhance operational efficiency.

(c) Impact of the measures at (a) and (b) for reduction of consumption of energy and consequent impact on the cost of production:

No significant direct cost impact was observed during the year.

(d) Energy consumption and energy consumption per unit of production:

Details are provided in Form A of **Annexure D** to this Report.

B. Technology Absorption:

Key initiatives include:

- Modification of air conditioning systems to enhance process efficiency.
- Upgradation of existing machinery for development of high-value and innovative products.
- Focused R&D on process improvement, product development and troubleshooting.

Benefits Derived:

- Cost optimization
- Quality enhancement
- Operational efficiency
- New product development

39. Foreign Exchange Earnings and Outgo:

(₹ in Lakhs)

PARTICULARS	FY 2024–25	FY 2023–24
I. Foreign Exchange Earned		
F. O. B. Value of Export	3265.40	2793.56
II. Foreign Exchange Outgo		
C. I. F. Value of Imports of Raw Materials	200.99	71.09
Expenses in Foreign Currency	94.93	103.48
Total of Foreign Exchange Outgo	295.92	174.57

40. Safety, Health and Environment:

- a) **Safety:** The Company promotes a strong safety culture through regular training and awareness programs for employees.
- b) **Health:** The Company prioritizes employee well-being through periodic health check-ups and consultations with a visiting medical officer.
- c) **Environment:** The Company is committed to environmental sustainability and complies with the Maharashtra Pollution Control Board's regulations.

41. Risk Management:

The Company has an established risk management framework to identify, evaluate and mitigate risks in its business operations. Risks are periodically reviewed and strategies are formulated to minimize their potential impact.

The Company has adopted a Risk Management Policy and there are no risks identified by the Board that could threaten its existence. Key risks and their mitigation strategies are discussed in the Management Discussion and Analysis Report.

42. Research and Development:

The Company continues to invest significantly in R&D activities aimed at process improvement, product innovation and development of future-ready textile chemicals. In-house R&D initiatives have led to the creation of several value-added products widely used in the textile industry globally.

43. Corporate Social Responsibility (CSR):

The Company does not meet the thresholds prescribed under Section 135 of the Companies Act, 2013 for mandatory CSR compliance and hence, CSR initiatives have not been undertaken during the year.

44. Cautionary Statement:

Statements in this Report and in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, or expectations may be forward-looking within the meaning of applicable securities laws and regulations. Actual results could differ materially due to factors such as economic conditions, availability of raw materials, changes in regulatory environment and other unforeseen events.

45. Appreciation:

The Board of Directors expresses its deep appreciation to the Company's employees, customers, vendors, investors and stakeholders for their unwavering support and trust. The Board also extends its gratitude to the Banks, Central and State Government departments and local authorities for their continued cooperation and guidance.

For and on behalf of the Board

Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

Place: Mumbai
Date: August 08, 2025

ANNEXURE A

[Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year:

(₹ in Lakhs)

Sr. No.	Particular	Remuneration for the financial year ended 31 st March, 2025	Ratio of Remuneration to median remuneration of employees
1.	Mr. Mahendra K. Khatau, Chairman & Managing Director	67.00	7.70
2.	Mr. Arupkumar Basu, Managing Director	31.53	16.30
3.	Mr. Manish M. Khatau, Whole-time Director	34.18	15.09

Note: The Non-executive Non-Independent Directors of the Company are not paid any remuneration by the Company. The Independent Directors of the Company are entitled to sitting fees as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Independent Directors are provided in the Corporate Governance Report.

- ii. The percentage increase in remuneration of each Executive Director, Chief Financial Officer, Company Secretary in the financial year is given below:

Executive Directors, Chief Financial Officer and Company Secretary	% increase / (decrease) in remuneration in the financial year
Mr. Mahendra K. Khatau - Chairman and Managing Director	0.00
Mr. Arupkumar Basu – Managing Director	(0.38)
Mr. Manish M. Khatau – Whole-time Director	0.00
Ms. Rupal B. Parikh – Chief Financial Officer	(11.96)
Mr. Rajesh D. Pisal – Company Secretary	(4.07)

- iii. The percentage increase in the median remuneration of employees in the financial year: 7.79%
- iv. The number of permanent employees on the rolls of Company as on 31st March, 2025: 176
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average percentile increase for other than managerial personnel: 8.20%
- Average percentile increase for managerial personnel: (3.28)%
- vi. It is affirmed that the remuneration paid during the period under review is as per the remuneration policy of the Company.

For and on behalf of the Board

Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

Place: Mumbai
Date: August 08, 2025

ANNEXURE B
Form No. AOC-1

**Statement containing salient features of the financial statement of Subsidiaries/associate companies/
joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)**

Part –A: Subsidiaries

Sl. No.	1	2	3
Name of the Subsidiary Company	Indokem Bangladesh Pvt. Ltd	Refnol Overseas Limited	Tex care Middle East LLC
The date since when subsidiary was acquired	30.04.2023*	29.09.2023**	29.09.2023**
Country	Bangladesh	Mauritius	UAE
Financial period ended	31/03/2025	31/03/2025	31/03/2025
Exchange rate/ Reporting currency	0.71/ BDT	85.44/USD	23.28/AED
Share capital	10,00,000	2,40,000	3,00,000
Reserves & surplus	(48,85,128)	1,72,752	25,67,918
Total assets	13,77,603	4,17,247	63,06,642
Total Liabilities (excluding share capital & Reserve)	52,62,731	4,495	34,38,724
Investments	0	41,013	0
Turnover	0	16,057	1,25,94,813
Profit/(Loss) before taxation	(22,06,786)	5,884	10,62,154
Provision for taxation	0	0	72,212
Profit/(Loss) after taxation	(22,06,786)	5,884	9,89,942
Proposed Dividend	0	0	0
% of shareholding	80%	100%	100%

* Indokem Bangladesh Pvt. Ltd was Incorporated on 30.04.2023.

** Post Merger of Refnol Resins and Chemicals Limited (RRCL) with Indokem Limited, the subsidiaries of RRCL i.e. Refnol Overseas Limited and Tex Care Middle East LLC have become subsidiaries of Indokem Limited from the effective date of scheme of Amalgamation. i.e. 29th September 2023.

For and on behalf of the Board

Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

Place: Mumbai
Date: August 08, 2025

ANNEXURE C
FORM NO. AOC – 2

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

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain Arm's Length Transactions under third proviso thereto.

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

a	Name(s) of the related party and nature of relationship	NIL
b	Nature of contracts/arrangements/transactions	
c	Duration of the contracts / arrangements/transactions	
d	Salient terms of the contracts or arrangements or transactions including the value, if any	
e	Justification for entering into such contracts or arrangements or transactions	
f	Date(s) of approval by the Board	
g	Amount paid as advances, if any	
h	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

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

a	Name(s) of the related party and nature of relationship	1. Orchard Acres
b	Nature of contracts/arrangements/transactions	(i) Purchase and Sale of Material (ii) Availing premise on Leave and License basis
c	Duration of the contracts / arrangements/transactions	(i) 1 st April, 2024 to 31 st March, 2025 (ii) 1 st April, 2022 to 31 st March, 2027
d	Salient terms of the contracts or arrangements or transactions including the value, if any	(i) ₹15.15 Crores (ii) ₹0.23 Crores
e	Date(s) of approval by the Board	(i) 13 th February, 2024 (ii) 14 th January, 2022
f	Amount paid as advances, if any	Nil
a	Name(s) of the related party and nature of relationship	2. Texcare Middle East LLC
b	Nature of contracts/arrangements/transactions	(i) Purchase and Sale of Material
c	Duration of the contracts / arrangements/transactions	(i) 1 st April, 2024 to 31 st March, 2025
d	Salient terms of the contracts or arrangements or transactions including the value, if any	(i) ₹4.60 Crores
e	Date(s) of approval by the Board	13 th February, 2024
f	Amount paid as advances, if any	Nil

For and on behalf of the Board

Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

Place: Mumbai
Date: August 08, 2025

ANNEXURE D
FORM A

[Statement showing particulars as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars with respect to Conservation of Energy:

Particulars		For the financial year ended 31.03.2025	For the financial year ended 31.03.2024
A. Power and Fuel Consumption			
1. Electricity			
(a) Purchased Units in Lakhs		8.43	8.44
Total Amount – Rs. In Lakhs		84.65	80.64
Cost Rs. / Unit		10.04	9.55
(a) Own Generation			
(i) Through Diesel Generator Set: Units generated / Lakhs Units Per Ltr. of Diesel Oil Cost – Rs. / Unit		N.A.	N.A.
(ii) Through Steam Turbine / Generator			
2. Coal (specify quality and where used)		N.A.	N.A.
3. Furnace Oil, L.D.O. Quantity – Ltrs.		2,90,979	2,30,892
Total Amount – Rs. In Lakhs		187.81	165.44
Average Rate – Rs. / Unit		64.54	71.65
1. Others / internal Generation Gas - (000 NM ³) Total Amount – (Rs. in Lakhs) Average Rate – (Rs. / NM ³)		N.A.	N.A.
B. Production / Consumption of:			
		For the financial year ended 31.03.2025	For the financial year ended 31.03.2024
Products			
Dyes	MT	1,167.858	794.085
Sizing Chemicals	MT	9,615.325	10,109.551
Auxiliaries	MT	3,679.814	2,832.660
Other Textile Chemicals	MT	2,606.715	1,311.456
Capacitors	Units	330	206

For and on behalf of the Board

Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

Place: Mumbai
Date: August 08, 2025

ANNEXURE E

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Company has adopted the Code of Conduct for Directors and Senior Management. The Code has been circulated to all the members of the Board and Senior Management and the same has been posted on the Company's website. The Board members and senior management have affirmed their compliance with the Code and a declaration signed by the Chairman and Managing Director of the Company is given below:

"It is hereby declared that the Company has obtained from all members of the Board and Senior Management personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2024-25."

Sd/-

Mahendra K. Khatau

Chairman and Managing Director

DIN: 00062794

Place: Mumbai

Date: May 09, 2025

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD

To,

The Members of Indokem Limited,

We hereby certify that:

1. We have reviewed Financial Statements and the Cash Flow Statement for the Financial year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violence of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Mahendra K. Khatau

Chairman and Managing Director

DIN: 00062794

Sd/-

Rupal B. Parikh

Chief Financial Officer

Place: Mumbai

Date: May 09, 2025

ANNEXURE F

CERTIFICATE ON CORPORATE GOVERNANCE

**Certificate on compliance with the conditions of Corporate Governance under
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Members,

INDOKEM LIMITED

Khatau House, Mogul Lane,
Mahim, Mumbai 400016

We have examined the compliance of the conditions of Corporate Governance by **INDOKEM LIMITED** ('the Company') **CIN: L31300MH1964PLC013088** for the financial year ended March 31, 2025, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, as carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Company Secretaries of India (the "ICSI"), was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paragraphs C and D of Schedule V to the SEBI Listing Regulations for the year ended March 31, 2025.

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 Jay & Associates
Company Secretaries**

Sd/-
Jay Nayak
Company Secretary in Practice
M.No. F11776 | C.P. 16721
FRN. S2016MH419700
PR No. 2594/2022
UDIN: F011776G000067689

Place: Thane
Date: April 09, 2025

ANNEXURE G
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

INDOKEM LIMITED

Khatau House, Mogul Lane,

Mahim, Mumbai 400016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INDOKEM LIMITED** having **CIN: L31300MH1964PLC013088** and having registered office at Khatau House, Mogul Lane, Mahim, Mumbai 400016 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers.

I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mahendra Kishore Khatau	00062794	01/04/2010
2.	Asha Mahendra Khatau	00063944	30/10/2009
3.	Manish Mahendra Khatau	02952828	11/02/2016
4.	Rahul Singh	07477748	25/08/2020
5.	Arupkumar Basu	00906760	25/07/2023
6.	Sneha Vidyadhar Khandekar	06729350	25/07/2023
7.	Suyash Neelkanth Bhise	06667481	25/07/2023
8.	Adarsh Pankaj Shukla	10244570	25/07/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Jay & Associates
Company Secretaries**

**Sd/-
Jay Nayak
Company Secretary in Practice
M.No. F11776 | C.P. 16721
FRN. S2016MH419700**

Place: Thane

Date: April 09, 2025

ANNEXURE H
FORM NO MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]
For the Period 01-04-2024 TO 31-03-2025

To,

The Members

INDOKEM LIMITED

Khatau House, Mogul Lane,
Mahim, Mumbai, 400016.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDOKEM LIMITED (CIN: L31300MH1964PLC013088)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering April 01, 2024 to 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period **April 01, 2024 to 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 extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; (to the extent applicable)
- 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the company during the period under review)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; **(not applicable to the company during the period under review)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(not applicable to the company during the period under review)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(to the extent applicable)**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the period under review)**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the company during the period under review)**
 - i) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018; **(to the extent applicable)**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951
3. Labour Laws and other incidental laws
4. Environment Protection Act, 1986 and other Environmental Laws
5. Hazardous Wastes (Management and Handling) Rules, 1980 and Amendment Rule, 2003
6. The Legal Metrology Act, 2009
7. Other local laws as applicable to various plants and offices

Based on the Compliance Certificates obtained by the Company from the various functional heads and Factory Managers, we relied on the Compliances of the above-mentioned statutes.

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

- a) Secretarial Standards i.e. SS-1 & SS-2 issued by The Institute of Company Secretaries of India.
- b) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with Stock Exchange.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, there were no changes in the composition of the Board of Directors that took place during the period under review.

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

All decisions of the Board and Committee meeting were carried with requisite majority.

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

The Compliance by the company of applicable Financial Laws like Direct & Indirect Tax Laws, Goods and Service Tax has not been reviewed in the audit since the same has been subject to the review by the statutory financial audit and other designated professionals.

We further report that during the audit period the following events might have a bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.;

- 1) The Company, through a Special Resolution passed at an Extraordinary General Meeting of Preference Shareholders on December 7, 2024, has extended the redemption period of Preference Shares by five years, shifting the original due date from February 10, 2025 to February 10, 2030.

**For Jay & Associates
Company Secretaries**

**Sd/-
Jay Nayak
Company Secretary in Practice
M.No. F11776 | C.P. 16721
FRN. S2016MH419700
PR No. 2594/2022
UDIN: F011776G000067436**

Date: April 09, 2025

Place: Thane

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Indokem Limited
Khatau House Mogul Lane
Mahim, Mumbai 400016.

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

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

**For Jay & Associates
Company Secretaries**

**Sd/-
Jay Nayak
Company Secretary in Practice
M.No. F11776 | C.P. 16721
FRN. S2016MH419700
PR No. 2594/2022
UDIN: F011776G000067436**

**Place: Thane
Date: April 09, 2025**

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF ECONOMY, INDUSTRY STRUCTURE AND DEVELOPMENTS:

A. Business Environment

i. Global Economic Outlook

Global economic growth is projected to range between 2.7% and 3.3% in 2025, with a potential stabilization at 3.3% in 2026, still below the historical average of 3.7% (2000–2019). The International Monetary Fund (IMF) forecasts global trade volume growth at 3.2% in 2025 and 3.3% in 2026, below the historical average of 4.9%, primarily due to increasing trade policy uncertainty, which may dampen investments in trade-intensive sectors.

Global inflation is expected to moderate from 5.9% in 2024 to 4.2% in 2025, with a further decline to 3.5% in 2026. While emerging markets are likely to witness a general decline in inflation, disparities remain across regions. Some economies may reach inflation levels as low as 2.8%, while others may continue facing elevated inflation, above 5%.

Monetary policy rates from major central banks are expected to trend downwards, with fiscal policy likely tightening, especially in advanced economies such as the United States. Trade growth may remain sluggish and could deteriorate due to reciprocal tariffs are imposed and tariff escalation. It is expected that tariff escalation could decline India's GDP by 0.2% to 1%.

The global chemical industry (excluding pharmaceuticals) is expected to grow by 3.0% in 2025, down from 3.9% in 2024. Advanced economies are likely to experience weak growth (2025: +0.8%), while emerging markets may see moderated expansion (2025: +3.9%, compared to +5.5% in 2024).

The global textile dyes market is expected to grow from USD 10.52 billion in 2024 to USD 11.45 billion in 2025 at a CAGR of 7.5%, driven by textile manufacturing growth, demand for color variety and innovations. China and India remain dominant players.

Similarly, the high-performance pigments market is estimated at USD 7.21 billion in 2025, projected to grow to USD 10.08 billion by 2032, at a CAGR of 4.9%. The Sizing Agents Market is valued at USD 4.15 billion in 2024, expected to cross USD 5.7 billion by 2032, with over 4% CAGR. The Asia-Pacific region, particularly China and India, remains pivotal to this market's growth.

ii. Indian Economic Outlook

India's GDP growth is expected to maintain a growth rate of 6.4% in 2025, supported by strong domestic demand, robust manufacturing and services sector performance. Inflation is expected to decline from 5.4% (FY 2024–25) to 4.5% (FY 2025–26). In June 2025, the RBI reduced the repo rate by 50 bps to 5.50%, aiming to boost credit and investment amid easing inflation.

India is the 6th largest global chemical producer and 3rd in Asia, contributing 7% to the national GDP. As of 2025, the Indian chemical industry stands at USD 250 billion, with expected growth of 8–10% in FY 2026. Cumulative FDI in the sector touched USD 22.87 billion (April 2000–September 2024).

The Indian Textile and Apparel Industry was valued at USD 222.08 billion in 2024, projected to reach USD 646.96 billion by 2033, at a CAGR of 11.98%. Increasing textile production is further propelling demand for sizing agents.

iii. Industry Overview: Dyes, Sizing Chemicals, Auxiliaries and Pigments

The textile chemicals market in India is a significant contributor to the global value chain, with the country being a major exporter and processor of textiles and garments. Indokem Limited, with its strong presence in dyes and chemicals, is well-positioned to benefit from evolving industry trends across four key verticals:

a. Textile Dyes

India ranks among the top global producers of reactive, disperse and acid dyes, serving both domestic and international markets. With increasing consumer awareness and global retail brands demanding sustainable sourcing, there is a rising preference for low-impact, eco-friendly and high-performance dyes that are GOTS, REACH and ZDHC compliant. Demand is expected to remain robust, driven by the growing textile and garment manufacturing sectors and increasing export opportunities.

b. Sizing Chemicals

Sizing chemicals are used in the pre-weaving stage to strengthen yarns and reduce breakages, ensuring smoother loom performance. The market is witnessing a shift toward synthetic and biodegradable sizing agents, especially with the proliferation of high-speed looms and automated weaving units. With continued modernization in the textile industry, demand for superior sizing products is expected to grow steadily.

c. Textile Auxiliary Chemicals

Auxiliary chemicals play a vital role in various textile processing stages such as pre-treatment, dyeing, printing and finishing. These include soaping agents, wetting agents, sequestering agents, fixing agents and softeners. The industry is increasingly moving toward multi-functional and low-emission auxiliaries that enhance operational efficiency and meet global environmental standards. The push for energy and water conservation in processing is also boosting demand for specialized auxiliaries.

d. Pigments

Pigments are widely used in textile printing and coloration, particularly for synthetic fabrics and blends. The Indian pigment market benefits from strong demand in digital textile printing, home furnishings and sportswear. Environmental compliance, product consistency and colorfastness are becoming critical differentiators. Indokem's experience in manufacturing high-purity pigments gives it an edge in addressing customized requirements for both bulk and niche customers.

iv. Market Drivers

- Rising global and domestic textile consumption, particularly in fast fashion and athleisure.
- Growing adoption of sustainable and eco-certified chemicals across all product categories.
- Digitalization of textile processing (e.g., digital printing) driving demand for new-generation pigments and auxiliaries.
- India's emergence as a reliable global sourcing hub amid realignment of global supply chains.
- Government-led textile cluster and infrastructure initiatives (e.g., Textile Parks, RoDTEP, TUFS, etc.)

B. Company Overview - Indokem Limited

Indokem Limited is a leading manufacturer and exporter of Textile Dyes and Chemicals. The Company continues to respond effectively to market dynamics and foresees robust growth opportunities.

- Revenue for FY 2024-25 stood at ₹154 Crore, up by 10.14% YoY, driven by increased input and finished goods prices.
- Invested in new machinery at the Ambernath Unit for a broader product range and modernized Effluent Treatment Plants.
- Strengthened Quality Control infrastructure, backed by skilled personnel aligned with global standards.
- Enhanced IT systems and digital infrastructure.

- Major product lines received GOTS certification, reaffirming our commitment to sustainable and globally compliant textile processing.
- Most products successfully registered under ZDHC (Zero Discharge of Hazardous Chemicals).
- Continued certifications: ISO 9001:2015 and ISO 45001:2008.
- Focused R&D on Reactive Dyes and now expanding into Pigment Emulsions.
- Improved product presentation through modern packaging initiatives.
- Ongoing Trademark registration and renewals to safeguard IP.
- Addition of new corporate clients, strengthening brand trust and reach.

Strategic Partnership Initiative

The Company proposes to initiate a strategic marketing collaboration with RDX Digital Technologies by executing a formal agreement aimed at enhancing digital outreach, product visibility and customer engagement. This partnership is expected to help expand our market presence, strengthen our brand positioning in the domestic and international textile chemicals sector and explore new avenues for customer acquisition through digital platforms. The collaboration will also support Indokem's commitment to innovation and modernization in sales and marketing strategies.

C. Financial Performance

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2024-25	FY 2023-24*	FY 2024-25	FY 2023-24*
Net Sales	15,297	13,895	17,741	16,424
Earnings before Interest, Depreciation and Tax	570	10	837	(60)
Profit before Tax	91	(522)	329	(619)
Profit/ (Loss) for the year	92	(526)	314	(623)

D. Key Financial Ratios

Parameters	FY 2024-25	FY 2023-24	% change
Debtors Turnover Ratio (number of times)	5.46	5.46	0.16
Inventory Turnover Ratio (number of times)	6.06	6.68	(9.29)
Interest Coverage Ratio (number of times)	1.04	0.14	859.58
Current Ratio (number of times)	1.07	1.07	(0.68)
Debt Equity Ratio (number of times)	0.42	0.43	(2.64)
Operating Profit Margin Ratio (%)	2.28%	(1.67%)	236.40%
Net Profit Margin Ratio (%)	0.60%	(3.77%)	115.87%
Return on Net Worth (%)	1.49%	(1.78%)	183.51%

E. Opportunities and Challenges

Opportunities

- Rising demand for specialty chemicals.
- Cost and quality advantages offer export potential.

- Reduced Chinese manufacturing opens a strategic window for Indian producers.
- Enhanced R&D investment in sustainable and high-performance sizing agents, especially for non-woven fabrics (medical, automotive, construction).
- The Company has proposed a Strategic Marketing Partnership with RDX Digital Technologies, aimed at leveraging digital technologies to expand customer outreach, enhance brand visibility and explore new channels for business development. This initiative is aligned with the growing importance of digital transformation in specialty chemicals marketing and is expected to support Indokem's long-term growth strategy.

Challenges

- Volatile raw material prices and import dependency.
- High regulatory compliance costs.
- Need for continuous technological upgrades, challenging for smaller players.
- Environmental regulations could limit expansion and profitability.

F. Risks and Concerns

The Company faces multiple categories of risks including:

- Sectoral, operational, sustainability, cyber and financial risks.
- Increasing environmental regulations and compliance costs.
- Volatility in global raw material supply and pricing.

Risk Management Framework ensures identification, assessment, monitoring and mitigation strategies aligned with industry standards. Indokem adheres strictly to statutory environmental regulations and continuously invests in safety and compliance systems.

G. Internal Control Systems

The Company has a robust internal control framework tailored to its size and risk profile. An independent Internal Auditor, under the supervision of the Audit Committee, assesses compliance and control effectiveness. Systems are in place to ensure:

- Adherence to policies,
- Asset protection,
- Fraud prevention,
- Accuracy of financial reporting,
- Timely dissemination of information.

H. Quality Management

Indokem maintains stringent quality control from operational to strategic levels. It complies with ISO, GOTS and ZDHC certifications, reinforcing commitment to product quality and sustainability.

I. Human Resource Management

Indokem emphasizes people-centric growth:

- Enhanced HR processes for recruitment, Learning & Development and performance management.
- Focus remained on employee engagement, diversity and fostering an inclusive work culture.

- The Company had total of 176 permanent employees on it's roll as on March 31, 2025.
- Industrial relations remained cordial during FY 2024–25.

J. Cautionary Statement

This report contains forward-looking statements based on current expectations. Actual outcomes may differ materially due to various risks including market conditions, regulatory changes and other factors beyond the Company's control.

Conclusion

FY 2024–25 marked a significant turnaround for the Company, driven by strategic investments in operations, R&D and compliance. The proposed digital marketing partnership with RDX Digital Technologies represents a key step in modernizing our outreach, branding and customer engagement frameworks. The management remains optimistic about sustained revenue growth and improved operating margins in the medium term.

For and on behalf of the Board

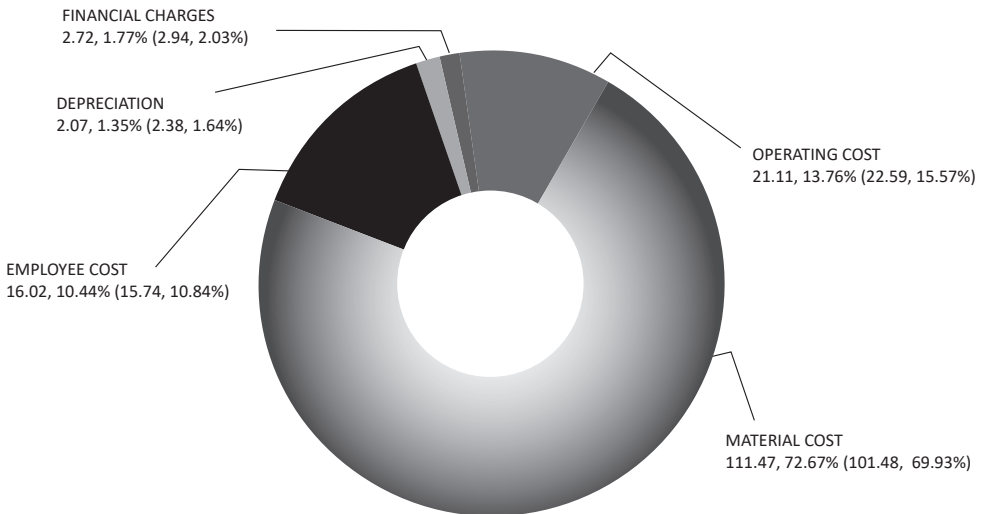
Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

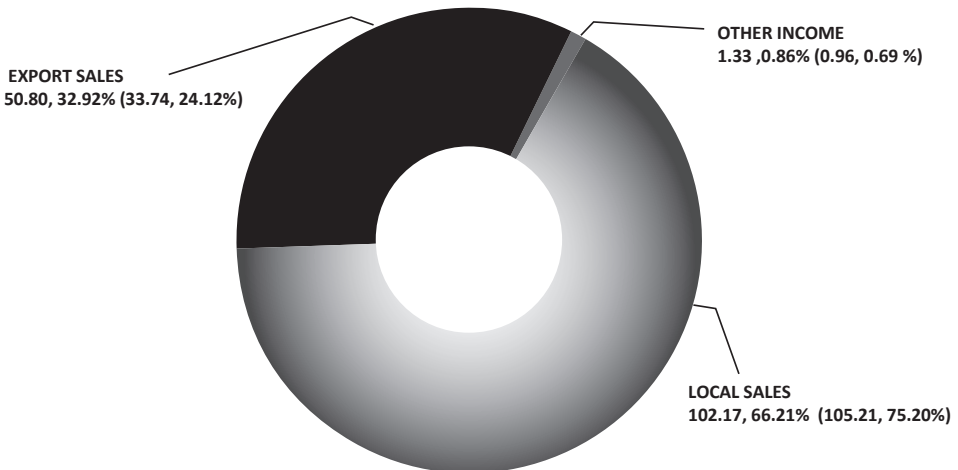
Place: Mumbai
Date: August 08, 2025

STANDALONE FINANCIAL HIGHLIGHTS F.Y. - 2024-25

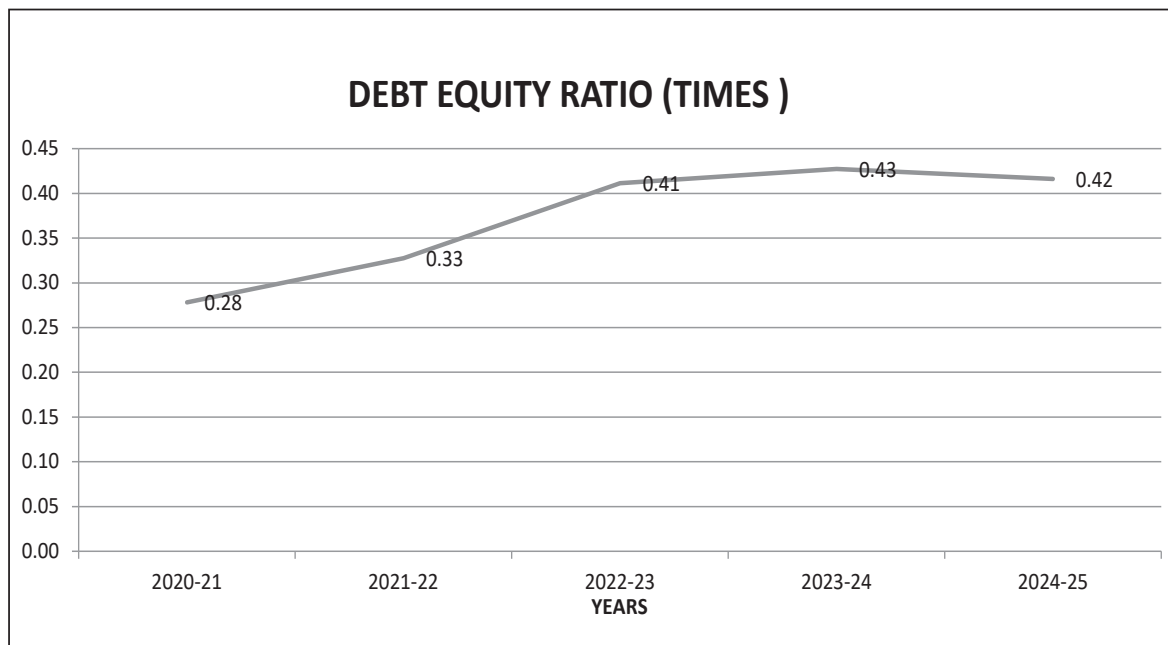
DISTRIBUTION OF REVENUE (₹ in crores)
(Previous year's values in brackets)



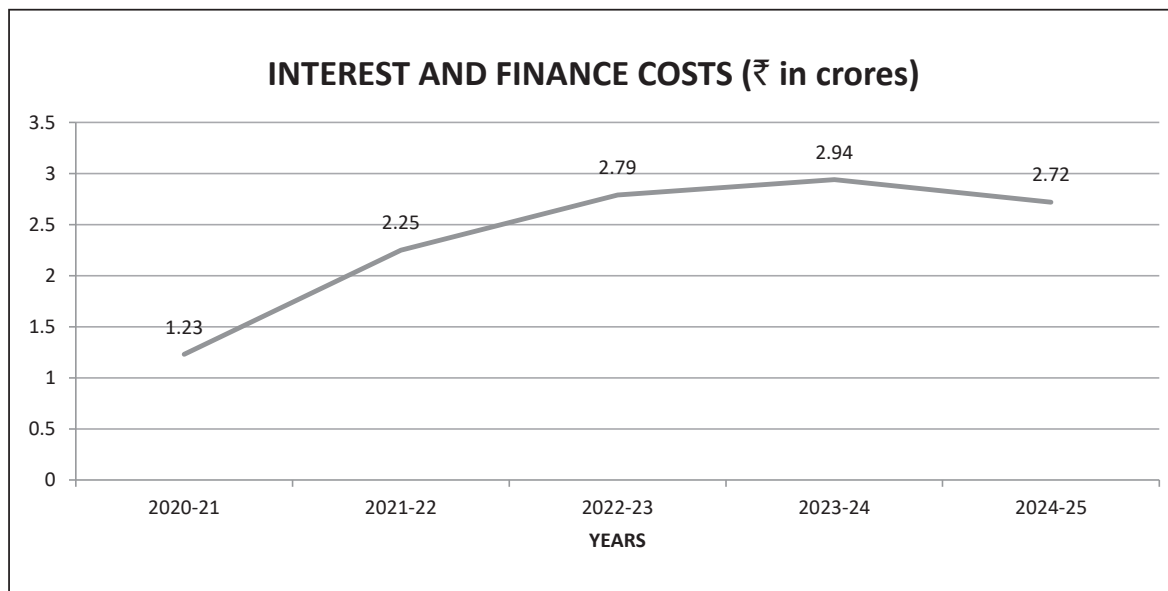
SOURCES OF REVENUE (₹ in crores)
(Previous year's values in brackets)



STANDALONE FINANCIAL HIGHLIGHTS F.Y. - 2024-25



Note : The ratio pertaining to the years 2021-22 & 2022-23 are restated post merger of Refinol Resins & Chemicals Ltd. with Indokem Limited & after giving effect to revaluation of class of assets pertaining to leasehold and freehold land and restatement of debtors.



Note : Amounts pertaining to the years 2021-22, 2022-23 are restated post merger of Refinol Resins & Chemicals Ltd. with Indokem Limited

CORPORATE GOVERNANCE REPORT

COMPLIANCE REPORT FOR THE FINANCIAL YEAR 2024-25:

Corporate Governance refers to the set of systems, principles and processes by which a company is governed. It provides the framework for attaining a company's objectives, encompassing practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure. Effective corporate governance builds trust, transparency and accountability—fostering long-term value creation, economic growth and financial stability.

I. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY:

At Indokem Limited, Corporate Governance is not merely compliance but a commitment to values. Our motto, 'Better Everyday', guides us to strive for continual improvement in every aspect of our operations, including governance.

Our Governance practices are rooted in the value system and culture of the organization, ensuring ethical conduct, fairness and transparency in all dealings. We aim to meet the expectations of all our stakeholders by maintaining the highest standards of integrity and accountability.

Corporate Governance at Indokem is about creating sustainable value for all stakeholders—legally, ethically and responsibly. Our Board of Directors discharges its fiduciary duties with a view to protect and enhance long-term shareholder value, while ensuring the rights of minority shareholders are respected.

We are committed to timely, accurate and transparent disclosure of financial and operational information, thereby strengthening stakeholder confidence in the Company.

II. BOARD OF DIRECTORS:

At Indokem, we believe that a diverse, skilled and engaged Board is crucial to sound Corporate Governance. The Board plays a vital role in guiding the Company's strategic direction and overseeing Management's execution in the best interest of stakeholders.

The Board is responsible for:

- Setting strategic objectives and monitoring performance;
- Ensuring robust internal controls and risk management systems;
- Upholding ethical standards and regulatory compliance.

i. SIZE AND COMPOSITION OF THE BOARD

As on 31st March 2025, the Board comprised eight Directors, including:

- Three Executive Directors (EDs),
- One Non-executive Director (NED), who is also a Woman Director,
- Four Independent Directors (IDs), including one Woman ID.

The Chairman is a Promoter Director, in line with the Company's governance structure.

The composition is compliant with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Sections 149 and 152 of the Companies Act, 2013.

None of the Directors hold directorships or Independent Directorships in more than the permissible number of listed entities. No Whole-Time Director/Managing Director serves as an Independent Director in any listed company.

All Independent Directors have:

- Confirmed compliance with Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations;
- Declared no disqualification affecting their independence;
- Enrolled with the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has issued formal letters of appointment to Independent Directors. The terms and conditions of their appointment are available on the Company's website: https://www.indokem.co.in/pdf/newpdf/IKL_General%20Terms%20and%20conditions%20for%20appointment%20of%20IDs.pdf

All Directors comply with the limits specified under Regulation 26 of the Listing Regulations regarding committee memberships and chairmanships.

The Board regularly reviews compliance reports prepared by the respective functional heads. At each meeting, detailed briefings are provided on business operations, financials, legal updates and regulatory developments.

Board Composition and Attendance for FY 2024–25

	Name and Category of the Director	Attendance at the meetings during FY 2024-25		No. of Directorships held in other Indian Public Limited Companies ⁽¹⁾	Committee(s) position ⁽²⁾		Directorship in other listed company(ies) and category of Directorship as on 31-03-2025
		Board Meeting	Last AGM		M	C	
1	Mr. Mahendra K. Khatau Chairman & Managing Director – Promoter	4	Yes	1	0	0	Nil
2	Mr. Arupkumar Basu Managing Director	3	Yes	0	0	0	Nil
3	Mr. Manish M. Khatau Whole-time Director – Promoter	3	Yes	0	0	0	Nil
4	Mrs. Asha M. Khatau Non-executive Non Independent Director – Promoter	4	Yes	1	0	0	Nil
5	Mr. Rahul Singh Non-executive Independent Director	4	Yes	0	0	0	Nil
6	Mr. Suyash Bhise Non-executive Independent Director	4	Yes	0	0	0	Nil
7	Mrs. Sneha Khandekar Non-executive Independent Director	3	Yes	1	1	1	Nil
8	Mr. Adarsh Shukla Non-executive Independent Director	4	Yes	0	0	0	Nil

(1) Directorships exclude Indokem Limited, Section 8 Companies and Foreign Companies.

(2) Committee positions include only Audit Committee and Stakeholders' Relationship Committee of other Indian public companies as per Regulation 26 of Listing Regulations. "M" = Member, "C" = Chairperson.

Disclosure of relationships between Directors Inter-se

- Mr. Mahendra K. Khatau (Chairman & Managing Director),
 - Mrs. Asha M. Khatau (Non-Executive, Non-Independent Director) and
 - Mr. Manish M. Khatau (Whole-time Director)
- are related to each other as family members.

All other Directors are not related to one another.

ii. BOARD MEETINGS

The Board of Directors plays a central role in guiding the strategic direction of the Company, evaluating management policies and ensuring that the long-term interests of stakeholders are upheld. It monitors the performance of the Company and provides governance oversight in accordance with the principles of sound corporate governance.

Meeting Schedule and Conduct:

The Board meets at least once in every calendar quarter to inter alia review quarterly financial results and other business matters. Additional meetings are convened as and when necessary. Tentative dates for Board Meetings for the upcoming financial year are scheduled in advance and circulated to all Directors to enable them to plan their schedules accordingly.

The agenda and information required under Regulation 17(7) read with Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are circulated in advance to facilitate informed decision-making by the Board.

During the FY 2024–25, the Board met four times, on the following dates:

- 30th May, 2024
- 13th August, 2024
- 14th November, 2024
- 7th February, 2025

The interval between any two meetings did not exceed 120 days, thereby complying with the statutory requirements. The necessary quorum was present at all meetings.

Mode of Meetings:

All meetings during the financial year were conducted through video conferencing, in accordance with the relaxations granted by the Ministry of Corporate Affairs (MCA) and SEBI, ensuring the safety and participation of all members.

Annual General Meeting Attendance:

All Directors on the Board as of the date of the Annual General Meeting were present at the 58th AGM held on Thursday, 26th September, 2024.

Approval of Committee Recommendations:

All recommendations made by the Committees of the Board during the year under review were unanimously accepted by the Board.

iii. MEETINGS OF THE INDEPENDENT DIRECTORS

In accordance with Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on 13th August, 2024, without the presence of Non-Independent Directors or members of the management.

The meeting was chaired by Mr. Rahul Singh, Independent Director.

During the meeting, the Independent Directors:

- Evaluated the performance of Non-Independent Directors and the Board as a whole.
- Assessed the quality, quantity and timeliness of information shared with the Board and management.
- Reviewed the performance of the Chairman, taking into account the views of Executive and Non-Executive Directors.

iv. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

The details of equity shareholding of the Company by Non-executive Directors as on 31st March, 2025, are as follows:

Name of the Directors	Category	Number of equity shares
Mrs. Asha M. Khatau	Non-executive Director	53,046
Mr. Rahul Singh	Non-executive Independent Director	Nil
Mr. Suyash Bhise	Non-executive Independent Director	Nil
Mrs. Sneha Khandekar	Non-executive Independent Director	Nil
Mr. Adarsh Shukla	Non-executive Independent Director	Nil

The Company has not issued any convertible instruments to any Non-executive Directors.

v. DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING AGM

- Mrs. Asha Mahendra Khatau (DIN: 00063944), Non-executive Director, retires by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment.
- Mr. Rahul Singh (DIN: 07477748), Non-executive Independent Director, holds office up to 28th September, 2025. It is proposed to re-appoint him for a second term of five consecutive years, commencing from 29th September, 2025 to 28th September, 2030 (both days inclusive).

Profiles of both Directors, as required under Regulation 36(3) of the Listing Regulations and the Companies Act, 2013, are annexed to the Notice of the AGM scheduled for 25th September, 2025.

vi. BOARD SKILLS, EXPERTISE and COMPETENCIES

In accordance with the Listing Regulations, the Board has identified the following skills, expertise and competencies that are essential for effective functioning and are currently available among its members:

Director	Industry Knowledge	Leadership	Finance Expertise	Strategy and Planning	Board Governance	Merger and Acquisition	Policy / Advocacy	Sales and Marketing
Mahendra Khatau	✓	✓	✓	✓	✓	✓	✓	✓
Arupkumar Basu	✓	✓	✓	✓	✓	✓	✓	✓
Asha Khatau	✓	✓	✓	✓	✓	✓	✓	✓
Manish Khatau	✓	✓	✓	✓	✓	✓	✓	✓
Rahul Singh	✓	✓	✓	✓	✓	✓	✓	✓
Suyash Bhise	✓	✓	✓	✓	✓	✓	✓	✓
Sneha Khandekar	✓	✓	✓	✓	✓	✓	✓	✓
Adarsh Shukla	✓	✓	✓	✓	✓	✓	✓	-

vii. RESIGNATION OF INDEPENDENT DIRECTORS

There were no resignations of Independent Directors during the FY 2024–25 before the expiry of their respective tenures.

viii. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the Listing Regulations and in accordance with Regulation 46, the Company has conducted a Familiarization Programme for its Independent Directors regarding:

- Their roles, rights and responsibilities;
- The industry in which the Company operates;
- The Company's business model and regulatory environment.

The details of the Familiarization Programme are available on the Company's website: <https://www.indokem.co.in/Familiarization-Programmes.php>

III. COMMITTEES OF THE BOARD:

As mandated by the Listing Regulations, the Company has constituted an Audit Committee, a Stakeholders Relationship Committee and a Nomination & Remuneration Committee. Other key Committees constituted by the Company are Risk Management Committee, Vigil Mechanism / Whistle Blower Committee and Committee of Board of Directors. The functioning of these Committees is regulated by the mandatory terms of reference, roles and responsibilities and powers as provided in the Act and the Listing Regulations.

The Minutes of the meetings of all these Committees are placed before the Board for noting. The Company Secretary acts as the Secretary of these Committees.

There are six Board Committees which comprise of three Statutory Committees and three other Committees that have been formed considering the needs of the Company and best practices in Corporate Governance as on 31st March, 2025 which are as follows:

1. AUDIT COMMITTEE:

The Audit Committee serves as a link between Management, the Statutory Auditors, Internal Auditors and the Board, ensuring the integrity of the Company's financial reporting processes.

Composition as on 31st March, 2025:

- Mr. Suyash Bhise – Chairman (Independent Director)
- Mr. Rahul Singh – Member (Independent Director)
- Mr. Adarsh Shukla – Member (Independent Director)
- Mr. Mahendra Khatau – Member (Chairman & Managing Director)

Key Responsibilities (as per Regulation 18(3), Schedule II Part C of Listing Regulations and Section 177 of the Act):

- Oversee the financial reporting process
- Recommend appointment/removal of auditors and fix audit fees
- Review financial statements before submission to the Board
- Approve related party transactions
- Monitor internal control systems and internal audit findings
- Review utilization of loans/advances/investments by holding company in subsidiaries exceeding prescribed thresholds

Meetings Held in FY 2024-25:

The Committee met four times during the year, ensuring that the interval between meetings did not exceed 120 days.

Date: 30th May 2024, 13th August 2024, 14th November 2024, 7th February 2025

The composition of the Audit Committee and attendance of its Members at the meetings held during the year is as follows:

Name of the member	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Suyash Bhise	Chairman (Independent Director)	4	4
Mr. Rahul Singh	Member (Independent Director)	4	4
Mr. Adarsh Shukla	Member (Independent Director)	4	4
Mr. Mahendra K. Khatau	Member (Chairman & MD of the Company)	4	4

All members are financially literate and have expertise in financial management. The Committee's composition complies with Section 177 of the Act and Regulation 18 of the Listing Regulations.

The Chief Financial Officer and Internal Auditor regularly attend the meetings. The Chairman of the Audit Committee, Mr. Suyash Bhise, was present at the 58th AGM held on 26th September, 2024.

2. NOMINATION AND REMUNERATION COMMITTEE:

This Committee is responsible for identifying and evaluating candidates for Board and Senior Management roles and formulating the Company's remuneration policy.

Composition as on 31st March, 2025:

- Mrs. Sneha Khandekar – Chairman (Independent Director)
- Mr. Suyash Bhise – Member (Independent Director)
- Mr. Rahul Singh – Member (Independent Director)

All members are Non-executive Independent Directors. The Committee's composition complies with Section 178 of the Act and Regulation 19 of the Listing Regulations.

Key Responsibilities:

- Devise policy on Board diversity
- Define role and qualifications of Independent Directors
- Formulate criteria for performance evaluation of Directors and Board
- Recommend remuneration policy for Directors, KMPs and Senior Management
- Identify suitable candidates for appointments and evaluate their performance

The Company has adopted a Nomination, Remuneration and Evaluation Policy, available at: <https://www.indokem.co.in/Policies.php>.

Meeting Held in FY 2024-25:

One meeting was held on 13th August, 2024.

The composition of the Committee and meetings and attendance details of the members are given below:

Name of the member	Category	No. of meetings held during tenure	No. of meetings attended
Mrs. Sneha Khandekar	Chairman (Independent Director)	1	1
Mr. Suyash Bhise	Member (Independent Director)	1	1
Mr. Rahul Singh	Member (Independent Director)	1	1

Mrs. Sneha Khandekar, the Chairperson, was present at the 58th AGM held on 26th September, 2024. The Company Secretary serves as the Secretary to the Committee.

NOMINATION, REMUNERATION AND PERFORMANCE EVALUATION:

A. Performance Evaluation:

The Board Performance Evaluation Policy has been framed by the Nomination and Remuneration Committee (NRC) and approved by the Board. It complies with the provisions of:

- Section 178(2) and 134(3)(p) of the Companies Act, 2013
- Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

In accordance with the above, the Board undertook an annual evaluation of:

- Its own performance
- Performance of individual Directors
- Functioning of various Committees of the Board

A structured questionnaire was used, incorporating inputs from Directors and covering various parameters such as:

- Composition and structure of the Board and its Committees
- Execution of responsibilities and governance practices
- Individual contributions and engagement
- Independence of judgement and safeguarding stakeholder interests

Key aspects of evaluation:

- Independent Directors were evaluated by the full Board.
- Chairman and Non-Independent Directors were evaluated by the Independent Directors.
- Overall, the Board expressed satisfaction with the evaluation process.

B. Remuneration Policy:

The Nomination and Remuneration Policy has been formulated by the Nomination and Remuneration Committee and approved by the Board. The objectives are:

- To ensure remuneration levels are sufficient to attract, retain and motivate competent individuals.
- To encourage a performance-oriented culture across all organizational levels.
- To align remuneration with individual performance and Company goals.
- To maintain an appropriate balance between fixed and variable (incentive-based) pay.
- To foster long-term loyalty and association with talented professionals.

The policy applies to the Directors, Key Managerial Personnel (KMP) and Senior Management and is available on the Company's website: www.indokem.co.in/Policies.php.

C. Remuneration of Directors:

i. Remuneration to Executive Directors:

The remuneration of Executive Directors is recommended by the NRC, approved by the Board and falls within the limits approved by the shareholders.

Details of remuneration paid / payable to the Executive Directors for the year ended 31st March, 2025 are given below:

(Amount in ₹)

Sr. No.	Particulars	Mr. Mahendra K. Khatau (Chairman & Managing Director)	Mr. Arupkumar Basu (Managing Director)	Mr. Manish M. Khatau (Whole-time Director)
1	Salary	36,00,000/-	20,23,368/-	13,20,000/-
2	House Rent Allowance	18,00,000/-	6,81,912/-	10,20,000/-
3	House Maintenance Allowance / City Compensatory Allowance / Other Allowances	9,00,000/-	3,63,404/-	8,94,240/-
4	Reimbursement of Gas, Electricity and other utilities Car Maintenance	2,79,600/-	Nil	39,600/-
5	Medical Reimbursement	60,000/-	Nil	72,000/-
6	Leave Travel Concession	60,000/-	84,273/-	72,000/-
7	Provident Fund	Nil	2,42,808/-	1,58,400/-
	Total	66,99,600/-	33,95,765/-	35,76,240/-
8	Gratuity @ 4.8 % of basic	1,72,800/-	Nil	63,360/-
1	Service Contract	3 Years	3 Years	3 Years
2	Notice Period	3 Months	3 Months	3 Months

ii. Sitting Fees for Non-executive and Independent Directors:

Non-Executive and Independent Directors are paid a sitting fee of ₹7,500/- per meeting attended, covering meetings of the Board and its Committees.

Details of total sitting fees paid / payable to the Non-executive and Independent Directors for the year ended 31st March, 2025 are given below:

(Amount in ₹)

Name of Director	Sitting Fees Paid				
	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee	Stakeholder Relationship Committee	Independent Directors Meeting
Non-executive Director					
Mrs. Asha M. Khatau	30,000	-	-	-	-
Non-executive Independent Directors					
Mr. Rahul Singh	30,000	30,000	7,500	30,000	7,500
Mr. Suyash Bhise	30,000	30,000	7,500	30,000	7,500
Mrs. Sneha Khandekar	22,500	-	7,500	-	7,500
Mr. Adarsh Shukla	30,000	30,000	-	30,000	7,500

- Non-Executive Directors receive no remuneration other than sitting fees.
- There are no pecuniary transactions or relationships between the Company and any Non-Executive Director.
- Mr. Mahendra K. Khatau and Mrs. Asha M. Khatau are husband and wife. Mr. Manish M. Khatau is their son.
- All Independent Directors are domain experts and their guidance significantly benefits the Company.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has been constituted in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Terms of Reference:

The Committee is entrusted with the following responsibilities:

- Addressing and resolving grievances of security holders, including shareholders, debenture holders and other security holders, pertaining to:
 - Non-receipt of Annual Reports or declared dividends
 - Transfer/transmission of shares
 - Issue of new/duplicate share certificates
 - Issues related to general meetings
- Reviewing:
 - Adherence to service standards of the Registrar and Share Transfer Agent
 - Steps taken to ensure effective exercise of shareholder voting rights
 - Initiatives to reduce unclaimed dividends and ensure timely receipt of statutory documents

Meetings held during FY 2024-25:

30th May 2024, 13th August 2024, 14th November 2024 and 7th February 2025.

The composition of the Committee and attendance details of the members are given below:

Name of the member	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Rahul Singh	Chairman (Independent Director)	4	4
Mr. Adarsh Shukla	Member (Independent Director)	4	4
Mr. Suyash Bhise	Member (Independent Director)	4	4

Mr. Rahul Singh, Chairman of the Committee, was present at the 58th Annual General Meeting held on 26th September 2024.

D. Name, designation and address of Compliance Officer:

Mr. Rajesh Dinkar Pisal

Vice President - Legal and Company Secretary

Indokem Limited

Khatau House, Plot No. 410, Mogul Lane, Mahim (West), Mumbai - 400 016.

Telephone: 022 6123 6711 Email: iklsecretarial@gmail.com

E. Details of investors complaints received during the year FY 2024-25 are as follows:

No. of complaints received at the beginning of the year	00
No. of complaints received during the year	03
No. of complaints resolved during the year	02
No. of complaints pending at the end of the year	01

All complaints were addressed within the statutory time limits.

4. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee is constituted as per Regulation 21 of the Listing Regulations. Although its formation is not mandatory for the Company, the Board has constituted the Committee voluntarily to oversee risk-related matters.

Terms of Reference:

- To frame, implement and monitor the Risk Management Plan of the Company.

Composition (as on 31st March, 2025):

Name	Category	No. of meetings held and attended
Mr. Mahendra K. Khatau	Chairman (Chairman & Managing Director)	-
Mr. Manish M. Khatau	Member (Whole-time Director)	-
Mrs. Asha M. Khatau	Member (Non-executive Director)	-

No. of meetings held: No meetings were held during FY 2024-25 (Formation of this Committee is not mandatorily applicable to the Company)

5. VIGIL MECHANISM / WHISTLE BLOWER COMMITTEE:

The Whistle Blower Committee functions to provide a secure platform for reporting concerns, with safeguards against victimization, in accordance with the provisions of Section 177 of the Companies Act, 2013 and applicable Listing Regulations.

Terms of Reference:

- Ensure adequate safeguards against victimization of whistleblowers (Directors, employees, or other stakeholders)

- Provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases

Composition (as on 31st March, 2025):

Name	Category	No. of meetings held and attended
Mr. Mahendra K. Khatau	Chairman (Chairman & Managing Director)	-
Mr. Suyash Bhise	Member (Chairman of Audit Committee)	-
Mr. Rajesh Pisal	Member (Company Secretary & Compliance Officer)	-

No. of meetings held: No meeting of the Committee was held during FY 2024–25.

6. COMMITTEE OF BOARD OF DIRECTORS:

The Committee of Directors is constituted to address matters delegated by the Board from time to time, allowing flexibility in decision-making on operational or administrative issues.

Terms of Reference:

- To handle matters entrusted by the Board from time to time for efficient functioning of the Company

Composition (as on 31st March, 2025):

Name	Category	No. of meetings held and attended
Mr. Mahendra K. Khatau	Chairman (Chairman & Managing Director)	7
Mr. Manish M. Khatau	Member (Whole-time Director)	7
Mrs. Asha M. Khatau	Member (Non-executive Director)	7

Meeting Dates: 22nd April, 2024, 16th August, 2024, 17th September, 2024, 4th October, 2024, 11th December, 2024, 28th January, 2025 and 6th March, 2025.

IV. GENERAL BODY MEETINGS:
A. Details of Annual General Meetings held during the preceding three years and Special Resolutions passed thereat:

58th Annual General Meeting	
Date and Time: 26 th September, 2024 at 2:00 P.M.	
Venue: Held through Video Conferencing (VC) / Other Audio Visual Means (OAVM); the deemed venue was the Registered Office of the Company.	
Details of Special Resolutions passed:	
<ol style="list-style-type: none"> 1. Re-appointment of Mr. Mahendra K. Khatau (DIN: 00062794) as Managing Director of the Company. 2. Continuation of Mr. Arupkumar Basu (DIN: 00906760) as Managing Director of the Company upon attaining the age of Seventy Years. 	
57th Annual General Meeting	
Date and Time: 31 st August, 2023 at 02:00 P.M.	
Venue: Held through VC/OAVM; the deemed venue was the Registered Office of the Company.	
Details of Special Resolutions passed:	
<ol style="list-style-type: none"> 1. Appointment of Mrs. Sneha Vidyadhar Khandekar (DIN: 06729350) as an Independent Director. 2. Appointment of Mr. Suyash Neelkanth Bhise (DIN: 06667481) as an Independent Director. 3. Appointment of Mr. Adarsh Pankaj Shukla (DIN: 10244570) as an Independent Director. 4. Re-appointment of Mr. Manish M. Khatau as Whole-time Director. 5. Regularisation of Mr. Arupkumar Basu as a Director and appointment as Managing Director. 6. Approving remuneration of Mr. Mahendra K. Khatau, Managing Director, for a period of 2 (Two) years w.e.f. 01 April, 2023, for the remainder of his tenure. 	

56th Annual General Meeting
Date and Time: 29 th September, 2022 at 3:00 P.M.
Venue: Held through VC/OAVM; the deemed venue was the Registered Office of the Company.
Details of Special Resolution passed: Nil

B. Postal Ballot:
1. Resolutions passed through Postal Ballot:

No resolutions were passed through postal ballot during the financial year ended 31st March 2025.

2. Whether any special resolution is proposed to be conducted through postal ballot:

No special resolution is proposed to be conducted through postal ballot.

3. Procedure for postal ballot:

Since no special resolution is proposed to be passed through postal ballot, the procedure is not applicable.

V. MEANS OF COMMUNICATION:

The Company recognises the importance of two-way communication with its shareholders and aims to ensure transparent and timely dissemination of information. It follows a robust communication strategy through various channels:

- Financial results (quarterly, half-yearly and annual) are promptly submitted to BSE Ltd., where the Company's securities are listed, immediately after approval by the Board.
- These results are also published in leading newspapers—Mumbai Lakshadeep (Marathi) and Business Standard (English).
- All relevant disclosures and updates are made available on the Company's website: www.indokem.co.in.
- Corporate announcements are displayed on the Company's website and the BSE website.
- No presentations were made to institutional investors or analysts during the year under review.

For investor servicing, the Company has designated the following email ID: iklsecretarial@gmail.com Contact details for investor grievances are also available on the Company's website.

VI. COMPANY POLICIES

The Company has adopted a comprehensive set of policies and codes to guide its operations and promote transparency, consistency and ethical conduct. These policies also ensure that the Company complies with applicable legal and regulatory requirements. Key statutory policies include:

1. Code of Conduct
2. Code of Practices and Procedures for Fair Disclosure of UPSI
3. Policy on Related Party Transactions
4. Policy for Determining Materiality of Events
5. Insider Trading Prevention Rules, 2015
6. Code of Conduct for Board of Directors and Senior Management
7. Whistle Blower Policy and Vigil Mechanism
8. Policy for Preservation of Documents
9. Nomination, Remuneration and Evaluation Policy
10. Board Performance Evaluation Policy
11. Policy on Prevention of Sexual Harassment at Workplace

12. Archival Policy for Disclosures Made to the Stock Exchange
13. Policy for Determining Material Subsidiaries
14. Risk Management Policy
15. Board Diversity Policy

VII. DISCLOSURES:

1. Related Party Transactions:

All related party transactions during the year under review were conducted at arm's length and in the ordinary course of business, in accordance with Section 188 of the Companies Act, 2013 and Regulation 23 of Listing Regulations. These transactions were approved by the Audit Committee, with repetitive transactions approved through the omnibus route.

There were no materially significant related party transactions conflicting with the interest of the Company. The Company's Related Party Transactions Policy is available on its website: <https://www.indokem.co.in/Policies.php>.

For further details, refer to Note No. 28 of the Financial Statements.

2. Material Subsidiaries:

As per Regulation 16 of the Listing Regulations, a subsidiary is classified as 'material' if its income or net worth exceeds 10% of the consolidated income or net worth of the Company and its subsidiaries.

Name of Subsidiaries	Date and Place of incorporation	Name of Statutory Auditors	Date of Appointment of Statutory Auditors
Texcare Middle East LLC	13 th July 1994, United Arab Emirates	Active Auditors	15 th July 2024

3. Policy for determining 'material' subsidiaries:

The Company has adopted a Policy on Determining 'Material' Subsidiaries, in line with regulatory requirements. The financials of subsidiary companies are reviewed by the Audit Committee and minutes of their Board meetings are placed before the Board of Directors.

4. Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has adopted a Whistle Blower Policy enabling Directors and Employees to report genuine concerns fearlessly.

The policy outlines the types of reportable concerns, investigation mechanisms, protection mechanisms and more.

<https://www.indokem.co.in/Policies.php>.

No complaints were received under this mechanism during the FY 2024–25.

5. Prevention of Insider Trading:

The Company has in place a "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" and a "Code of Practices and Procedures for Fair Disclosure of UPSI," pursuant to SEBI (PIT) Regulations, 2015. Key highlights:

- Prohibits trading while in possession of UPSI.
- Maintains a structured digital database of Designated Persons.
- Requires pre-clearance for trades and implements Trading Window norms.
- The Company Secretary acts as the Compliance Officer.
- Full compliance by all Designated Persons and Directors has been affirmed.
- <https://www.indokem.co.in/pdf/newpdf/Code%20of%20Practices%20and%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf>

6. Certificates from Practicing Company Secretaries

- As per Regulation 34(3) and Schedule V, Part E of Listing Regulations, a Certificate confirming compliance with corporate governance norms issued by M/s. Jay & Associates, Practicing Company Secretaries, is annexed to the Board's Report.
- In line with Clause 10(i) of Part C of Schedule V, the Company also obtained a certificate confirming that none of the Directors have been debarred/disqualified by SEBI, MCA, or any other regulatory authority.

7. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has established an Internal Complaints Committee and framed an appropriate policy. Status of the complaints for FY 2024–25 is as follows:

Particulars	Number
Complaints Filed during 2024-25	Nil
Complaints Disposed off during 2024-25	Nil
Complaints Pending as of 31 st March, 2025	Nil

8. Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel.

- All concerned have affirmed compliance for the financial year ended 31st March 2025.
- A declaration to this effect, signed by the Chairman & Managing Director, is annexed to this Report.
- www.indokem.co.in/Code-of-Conduct.php.

9. Reconciliation of Share Capital Audit Report:

In accordance with SEBI Circulars CIR/MRD/DP/30/2010 and D&CC/FITTC/CIR-16/2002, the Reconciliation of Share Capital Audit Report confirming alignment of issued and listed capital (both in physical and dematerialized form) is:

- Placed before the Board quarterly
- Filed with the Stock Exchanges where shares are listed.

10. Preferential Allotment / QIP

The Company did not raise any funds through preferential allotment or Qualified Institutions Placement (QIP) during the financial year under review.

11. Loans and Advances to Entities in which Directors are Interested:

Name of the Company	Amount of Loan Advanced (in INR)	Amount Outstanding (in INR)	Name of the Director interested
Indokem Bangladesh Pvt. Ltd.	Nil*	35,75,132.90**	Mr. Mahendra K. Khatau and Mr. Manish M. Khatau

* No loan advanced during the year.

** Includes interest receivable on loan.

12. Remuneration to Statutory Auditors:

Particulars	FY 2024–25 (₹ in lakhs)
Audit and Limited Review Fee	8.75
Tax Audit	0.80
Other Services	1.00
Reimbursement of Expenses	-
Total	10.55

VIII. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS:

Pursuant to Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the following discretionary requirements:

i. The Board:

The Company currently has an Executive Chairman.

ii. Shareholder Rights:

Financial results are published in one English and one Marathi newspaper.

iii. Audit Qualifications:

The Auditors have issued an unmodified opinion on the financial statements for the year.

iv. Separate roles:

The roles of Chairman and Managing Director are held by the same individual.

v. Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee and attends its meetings.

IX. GENERAL SHAREHOLDER INFORMATION:
1. Annual General Meeting for F. Y. 2024-25:

- Date: Thursday, 25th September, 2025
- Time: 2:00 P.M.
- Mode: VC/OAVM
- Deemed Venue: Khatau House, Plot No. 410, Mogul Lane, Mahim West, Mumbai – 400 016.

2. Financial Year:

The financial year covers the period from 1st April to 31st March.

3. Date of Book closure and dividend payment date

- Book Closure: 19th to 25th September, 2025 (both days inclusive)
- Dividend: No dividend declared for FY 2024–25

4. Listing on Stock Exchanges:

- Exchange: BSE Limited
- Stock Code: 504092
- ISIN: INE716F01012
- Listing fees paid in full.

5. Registrar and Share Transfer Agents:

MUFG Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083

Contact Numbers: +91 8108116767 / 022 - 4918 6270.

Email ID: rnt.helpdesk@in.mpms.mufg.com

Online Service Requests: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

Investor Self-service Portal provided by MUFG Intime: <https://swayam.in.mpms.mufg.com/>

Website: <https://in.mpms.mufg.com/>

6. Address for acceptance of documents:

- i. All the communications relating to Share Transmission in physical form and other communication including share certificates and change of address etc. may be addressed to our Registrar and Share Transfer Agents at the address mentioned above.
- ii. Shareholders may also contact Compliance Officer of the Company, Indokem Limited, Khatau House, Plot No. 410, Mogul Lane, Mahim (West), Mumbai - 400 016.

7. Investor Grievance and Share Transfer System:

All transmission or transposition of securities are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the Listing Regulations, read together with relevant SEBI Circulars.

In terms of the Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/ MIRSD_RTAMB/P/CIR/2022/8 dated January 24, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processing the service request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard. Also, share transactions in electronic form can be effected in a much simpler and faster manner. Shareholders should communicate with the RTA, quoting their folio number or Depository Participant ID ('DPID') and Client ID number, for any queries on their securities holding.

SCORES: A centralised web based complaints redress system 'SCORES' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaints and its current status.

Online Dispute Resolution Portal ('ODR Portal'): SEBI has vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, issued a Standard Operating Procedure ('SOP') for dispute resolution under the Stock Exchange Arbitration Mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s)/ investor(s). Further, SEBI vide Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023, introduced a mechanism to streamline and strengthen the existing dispute resolution in the Indian Securities Market.

This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute.

Pursuant to above-mentioned circulars, the aggrieved party can initiate the mechanism through the ODR portal, after exercising the primary options to resolve the issue directly with the Company and through the SCORES platform.

8. Shareholding pattern as on 31st March, 2025:

Category (Shares)	No. of Shareholders	(%) of Shareholders	No. of Shares	(%) of Shares
Up to – 5,000	25,328	99.30	44,38,782	15.92
5,001 – 10,000	81	0.32	5,52,382	1.98
10,001 – 20,000	43	0.17	5,88,778	2.11
20,001 – 30,000	15	0.06	3,70,528	1.33
30,001 – 40,000	3	0.01	97,799	0.35
40,001 – 50,000	5	0.02	2,16,368	0.78
50,001 – 1,00,000	13	0.05	8,37,733	3.00
100,001 and above	19	0.07	2,07,85,885	74.53
Total	25,507	100.00	2,78,88,255	100.00

10. Dematerialisation of Shares and Liquidity:

The Company has an arrangement with NSDL and CDSL for dematerialisation of shares with ISIN INE716F01012. As on 31st March, 2025, 89.81% of equity share capital corresponding to equity shares were held in dematerialised form.

In accordance with the proviso to Regulation 40(1) of Listing Regulations transfers of securities of the Company shall not be processed unless the securities are held in the dematerialised form with a Depository. However, investors are not barred from holding shares in physical form.

The shares of the Company are traded on BSE Limited.

Suspense Escrow Demat Account ('SEDA')

Pursuant to SEBI Circular dated 25th January, 2022, to enhance the shareholders experience in dealing with securities markets, the listed companies shall issue the securities in dematerialised form only, while processing any investor service requests viz., issue of duplicate share certificates, endorsement, transmission, transposition.

After processing the investor service request(s), a Letter of Confirmation ('LOC') would be issued to the shareholders in lieu of a physical securities certificate. LOC shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerialising the said securities/shares. In case the shareholders fail to submit the dematerialisation request within 120 days, the Company shall then credit those securities to the Suspense Escrow Demat Account ("SEDA") held by the Company. The shareholders can reclaim these shares from the Company's SEDA on submission of documentation prescribed by SEBI.

- 11. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion dates and likely impact on equity:** Nil
- 12.** The Company has complied with all the requirements of Corporate Governance Report as stated under sub-paras (2) to (10) of section (C) of Schedule V to the Listing Regulations.
- 13.** The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations, applicable with regard to Corporate Governance.

14. Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 st April, 2024	240	2,19,098
Shareholders who approached the Company for transfer of shares from suspense account during the year	2	370
Shareholders to whom shares were transferred from the suspense account during the year	2	370
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2025	238	2,18,728

The voting rights on the shares outstanding in the suspense account as on 31st March, 2025, shall remain frozen till the rightful owner of such shares claims the shares.

15. Furnishing of KYC by Physical Shareholders

Considering the ease of doing business for Investors in the securities market, the Securities and Exchange Board of India vide its circulars dated 3rd November 2021 and 16th March 2023 mandated Investors holding securities of listed companies in physical mode to furnish PAN and Nomination (the "KYC") in the prescribed form in addition to furnishing the Bank Account and contact details of such shareholders. The shareholders holding shares in physical form are requested to refer to the communication sent by the Company earlier for detailed instructions in this regard and provide the KYC and other details to the Company's Registrar and Share Transfer Agent.

In view of the above, the shareholders holding shares in physical form are requested to furnish the KYC and other details and also dematerialise their holdings at the earliest. The relevant circulars and the forms to be furnished for updating KYC and other details are available on the website of the Company at www.indokem.co.in and the shareholders may also approach the compliance officer at the registered office of the Company.

16. List of all Credit ratings obtained by the Company: No Credit Ratings obtained during FY 2024-25.

17. Disclosure of Agreements Binding Listed Entities under Clause 5A of Paragraph A of Part A of Schedule III:

During the FY 2024-25, no such agreements were entered.

18. Address for Correspondence:

Indokem Limited

Khatau House, Plot No. 410, Mogul Lane, Mahim (West), Mumbai – 400 016.

Telephone: 6123 6767

Designated e-mail address for Investor Services: iklsecretarial@gmail.com

Website: www.indokem.co.in

19. Plant Locations:

- Company Owned Plant - Plot No. 66, Chikhloli MIDC, Ambernath, Dist. Thane, Maharashtra – 421 505.
- Company Owned Plant: Plot 23, Phase 3, GIDC Naroda, Ahmedabad, Gujarat 382330.
- Rented Plant - Plot No. 112, Chikhloli MIDC, Ambernath, Dist. Thane, Maharashtra – 421 505.
- Rented Plant - Plot No. 123, Chikhloli MIDC, Ambernath, Dist. Thane, Maharashtra – 421 505.
- Rented Plant - Plot No. 125, Chikhloli MIDC, Ambernath, Dist. Thane, Maharashtra – 421 505.

- vi. Rented Plant - Plot No. 128, Chikhholi MIDC, Ambarnath, Dist. Thane, Maharashtra – 421 505.
- vii. Company Owned Godown - Survey No. 81/2, Hissa No.2B, at Village Dahisar Mori, Taluka and District Thane, Maharashtra - 421 204.
- viii. Rented Plant / Godown - Survey No. 292, at Narol-Bareja Road, Opp. Shahwadi Bus Stand, N.H. No. 8, Narol, Ahmedabad, Gujarat - 382 405.
- ix. Rented Plant - 1 / 4 I, Palladam Road, Thanneer Pandhal, Pappampatti, Sulur Taluk, Pappampatti, Coimbatore, Tamil Nadu - 641 016.
- x. Rented Godown - Plot No. 30/6, Naroda GIDC Road, Naroda, Ahmedabad, Gandhinagar, Gujarat - 382330.
- xi. Rented Godown – Plot No. 31/32, Naroda GIDC Road, Naroda, Ahmedabad, Gandhinagar, Gujarat - 382330.

20. Disclosure of commodity price risk or foreign exchange risk and hedging activities:

The Company is working on to manage its risks associated with commodity imports from international markets as well as local market. The objective of this is to ensure protection from risk arising out of adverse and volatile movement in commodity prices by proper monitoring of the exposures and taking timely actions to keep risks to acceptable levels.

The volatility and significant increases in raw material prices in recent years, has already had and could in the future, have a material adverse effect on the Company's results of operations and financial condition. While the Company is trying to take certain commercial and technical measures to reduce the impact of this adverse development including increasing or changing the commercial terms of the sales of finished products but there can be no assurance that such measures will be successful.

Further, the Company has a dedicated Procurement team with strong understanding of chemical raw material markets. This team works closely with suppliers and the Company's operations team to plan and source its raw material supplies through reliable and lowest cost supply chain.

Volatility in raw material prices significantly impacts the input costs of manufacturing and therefore, profitability. Dependence on global supply chains as well as geo-political events requires close tracking of potential risks. The Company being a sizable user of commodities, exposes it to the price risk on account of procurement of commodities. However, there are no hedging instruments suitable to the company to specifically mitigate the aforesaid risk. In respect of foreign exchange risk, the Company proposes to use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to its commitments.

For and on behalf of the Board

Sd/-

Mr. Mahendra K. Khatau
Chairman & Managing Director
DIN: 00062794

Place: Mumbai
Date: August 08, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Indokem Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of INDOKEM LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended 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 conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
1)	<p>Litigations, Provisions and contingent liabilities</p> <p>The Company has several litigations which also include matters under dispute which involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>Refer Note 22 to the Standalone Financial Statements.</p>	<p>Our Audit procedures included the following:</p> <p>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations. We also performed the following audit procedures:</p> <ul style="list-style-type: none"> Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities; Discussed with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company; We also involved our internal tax experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.

Information other than the Financial Statement and Auditor's Report thereon

The Company's management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Management discussion and analysis, board's report including Annexure to Board's Report, Corporate Governance and Shareholder's information, but does not include the Standalone Financial Statements and our auditor's report thereon. The Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information are expected to be made available to us after the date of this auditor's report. Any Material misstatement thereon pertaining to it will be reported thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's management and 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 Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2021 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is 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 B".

- (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; and

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer note 22 to the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2025.
- iv.
 - i. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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;
 - ii. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. There is no dividend declared or paid during the year by the Company and hence provisions of section 123 of the Companies Act, 2013 are not applicable.
- vi. Based on our examination, which includes test checks, and other generally accepted audit procedures performed by us, we report that the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trails (edit log) facility. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.:101961W / W-100036

Sd /-

Rachit Sheth

Partner

Membership No. 158289

Place : Mumbai

Date : 9th May, 2025

UDIN: 25158289BMHZUP9941

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

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

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company is maintaining proper records showing full particulars of intangible assets;
- (b) The Company has a phased programme of physical verification of its Property, plant and equipments so as to cover all assets once in two 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. In accordance with this programme, certain Property, plant and equipments were verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
- (c) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the Standalone Financial Statements, are held in the name of the Company as at the Balance Sheet date except following:

(₹ In lakhs)

Sr. No.	Description of item of property	Gross carrying value as on 31.03.25	Title deeds held in the name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company
1	Buildings (Delhi)	133.60	M /s Ramakem Limited	Amalgamated Company	01 /10 /1994	The Company became the owners of the premises by virtue of Scheme of Amalgamation of M/s. Manish Dyes Products Private Limited and M /s. Ramakem Limited, with the Company. However, pending completion of the relevant registration formalities, the immovable properties continue to be in the name of the erstwhile amalgamated Company.
2	Land and Building (Naroda)	2103.45	M /S Refnol Resins and Chemicals Limited	Amalgamated Company	01 /04 /2021	The Company became the owners of the premises by virtue of scheme of Amalgamation between Indokem Limited and Refnol Resins and Chemicals Limited. However, pending completion of the relevant registration formalities, the immovable properties continue to be in the name of the erstwhile amalgamated companies.

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

- (e) The Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Hence the requirements under paragraph 3(i)(e) of the Companies (Auditor's Report) Order, 2020 ("the Order") are not applicable to the Company;
- (ii) (a) In our opinion and according to information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals with appropriate coverage and procedures of such verification by the management and no discrepancies were noticed on physical verification of 10% or more in aggregate for each class of inventory;
- (b) Based on our examination of the records, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has made investments in, companies, firms, Limited Liability Partnerships and granted unsecured loans to other parties, during the year, in respect of which:
- a) The Company has given loans to its subsidiary with aggregate amount granted /provided during the year ₹ NIL where balance outstanding as at Balance Sheet date is ₹ 35.75 lakhs;
- b) In our opinion and according to the information provided to us, the terms and conditions of the grant of such loan are not prejudicial to the interest of the Company;
- c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loan granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- Other than that mentioned above, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties;
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Companies Act 2013 in respect of loans granted, investment made, and guarantee and securities provided, as applicable;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company;
- (vi) We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;
- (vii) (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employee state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the appropriate authorities;
- There were no undisputed amounts payable with respect to above statutory dues in arrears as at March 31, 2025 for a period of six months from the date they became payable;

- (b) The particulars of statutory dues as at March 31, 2025 which have not been deposited on account of a dispute are as follows:

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax (Including interest and penalty thereon)	11.92	A.Y. 2007 - 2008	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (Including interest and penalty thereon)x	95.59	A.Y. 2017 - 2018	Commissioner of Income Tax (Appeals)
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund Ankleshwar	45.49	March 1997 to August 2007	Central Government Industrial Tribunal - Ahmedabad
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund Ankleshwar	3.30	March 2007 to July 2011	Central Government Industrial Tribunal – Ahmedabad
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund Mumbai	6.53	August 2012 to November 2012	Central Government Industrial Tribunal Mumbai
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund Mumbai	8.52	April 2010 to March 2012	Central Government Industrial Tribunal - Mumbai
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund Mumbai	9.69	April 2010 to March 2012	Central Government Industrial Tribunal - Mumba
The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund Mumbai	3.78	December 2012 to March 2013	The Employees Provident Funds and Miscellaneous Provisions Act, 1952
Goods and Service Tax Act, 2017	Goods and Service Tax (Including interest and penalty thereon)	1,521.06	July 2017 to March 2018	Additional Commissioner of State Tax, Ahmedabad
*Net off amounts paid under protest.				

- (viii) There were no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) The Company is not declared as wilful defaulter by any bank or financial institution or other lender;
- (c) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company;
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) The Company has not raised any 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 moneys 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) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable;
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;
- (b) According to the information and explanations given to us, no report under sub - section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us, and based on our examination of the records, Company has not received any whistle blower complaints during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable;
- (xiii) In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards;
- (xiv) (a) In our opinion and the records examined by us, the Company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of the Companies Act, 2013 are not applicable;
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion and as presented by management there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable;
- (xvii) The Company has not incurred cash loss in the current financial year However, Company has incurred cash loss of ₹288.42 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year; and accordingly the reporting under clause 3(xviii) is not applicable;
- (xix) Based on our examination of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- (xx) The Company is not required to spend any amount on CSR activities during the current year Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year;

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.:101961W / W-100036

Sd /-

Rachit Sheth

Partner

Membership No. 158289

Place : Mumbai

Date : 9th May, 2025

UDIN: 25158289BMHZUP9941

ANNEXURE B TO THE INDEPENDENT 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 INDOKEM LIMITED ("the Company") as of 31st March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to Standalone Financial Statements of the Company 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about internal financial controls with reference to Standalone Financial Statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Standalone Financial Statements of the Company 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 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 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.

Opinion

In our opinion, the Company has, in all material respects, an internal financial controls system with reference to Standalone Financial Statements of the Company 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 **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W / W-100036

Sd /-

Rachit Sheth

Partner

Membership No. 158289

Place : Mumbai

Date : 9th May, 2025

UDIN: 25158289BMHZUP9941

STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

		₹ in lakhs	
	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
Property, plant and equipment	3(a)	6,319	6,455
Capital work-in-progress	3(b)	12	4
Goodwill		71	71
Intangible assets	4	4	3
Financial assets			
Investments	5(a)	96	96
Loans	5(b)	-	-*
Other financial assets	5(c)	60	55
Income tax assets (net)	6	19	25
Other non-current assets	7	56	55
Total Non-current Assets		6,637	6,764
Current Assets			
Inventories	8	2,781	2,287
Financial assets			
Trade receivables	5(d)	3,120	2,513
Cash and cash equivalents	5(e)	46	22
Bank balance other than cash and cash equivalents	5(f)	35	36
Loans	5(b)	36	40
Other financial assets	5(c)	47	45
Other current assets	7	319	119
Total Current Assets		6,384	5,062
Total Assets		13,021	11,826
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9(a)	2,789	2,789
Other equity	9(b)	2,529	2,451
Total Equity		5,318	5,240
LIABILITIES			
Non-current Liabilities			
Financial liabilities			
Borrowings	10(a)	1,192	1,279
Other financial liabilities	10(c)	276	269
Provisions	11	290	292
Total Non-current Liabilities		1,758	1,840
Current Liabilities			
Financial liabilities			
Borrowings	10(b)	1,020	960
Trade payables	10(d)		
(i) Total outstanding dues of Micro and Small Enterprises		22	126
(ii) Total outstanding dues of Creditors other than Micro and Small Enterprises		4,168	2,766
Other financial liabilities	10(c)	15	18
Provisions	11	150	109
Other current liabilities	12	570	767
Total Current Liabilities		5,945	4,746
Total Liabilities		7,703	6,586
Total Equity and Liabilities		13,021	11,826

* Amount is below the rounding off norms adopted by the Company.
See accompanying notes 1 to 36 forming part of the Ind AS Financial Statements

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

Rachit Sheth

Partner

Membership No.: 158289

Place: Mumbai

Date: May 9, 2025

For and on behalf of the Board

INDOKEM LIMITED

Mahendra K. Khatau

Chairman & Managing Director

DIN : 00062794

Rupal B. Parikh

Chief Financial Officer

Place: Mumbai

Date: May 9, 2025

Manish M. Khatau

Director

DIN : 02952828

Rajesh D. Pisal

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

		₹ in lakhs	
	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
CONTINUING OPERATIONS			
Income			
Revenue from operations	13	15,365	13,951
Other income	14	65	40
Total Income		15,430	13,991
Expenses			
Cost of materials consumed	15	10,931	9,838
Purchase of stock in trade		572	226
Changes in inventories of finished goods, work-in-process and stock in trade	16	(356)	84
Employee benefits expenses	17	1,602	1,574
Finance cost	18	272	294
Depreciation / amortisation	3 & 4	207	238
Other expenses	19	2,111	2,259
Total Expenses		15,339	14,513
Profit / (loss) before tax		91	(522)
(Excess) / short provision for tax		(1)	4
Current tax	20	-	-
Profit / (loss) after tax		92	(526)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit and loss account</i>			
Remeasurement of post employment benefit obligation		(14)	(32)
Total other comprehensive income / (loss)		(14)	(32)
Total comprehensive income / (loss) for the year		78	(558)
Earnings per equity share (Face value of ₹ 10 each) :			
Basic and diluted earnings per share (in ₹)	21	0.33	(1.89)

* Amount is below the rounding off norms adopted by the Company.
See accompanying note 1 to 36 forming part of Ind-AS Financial Statements.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

Rachit Sheth

Partner

Membership No.: 158289

Place: Mumbai

Date: May 9, 2025

For and on behalf of the Board

INDOKEM LIMITED

Mahendra K. Khatau

Chairman & Managing Director

DIN : 00062794

Rupal B. Parikh

Chief Financial Officer

Place: Mumbai

Date: May 9, 2025

Manish M. Khatau

Director

DIN : 02952828

Rajesh D. Pisal

Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025
A. Equity Share Capital
₹ in lakhs

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Forfeited Shares	Shares Pending Issuance	Balance as at March 31, 2025
2,789	-	2,789	-	-	-	2,789

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Forfeited Shares	Shares Pending Issuance	Balance as at March 31, 2024
2,789	-	2,789	-	-	-	2,789

B. Other Equity
₹ in lakhs

Particulars	Reserves and Surplus					Total Equity
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Revaluation Reserves	
Balance as at April 1, 2024	1,219	435	648	(1,861)	2,011	2,451
Total Comprehensive Income for the year	-	-	-	92	-	92
Remeasurement of post employment benefit obligation	-	-	-	(14)	-	(14)
Transfer to retained earnings	-	-	-	(21)	21	-
Balance as at March 31, 2025	1,219	435	648	(1,762)	1,990	2,529

₹ in lakhs

Particulars	Reserves and Surplus					Total Equity
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Revaluation Reserves	
Balance as at April 1, 2023	1,225	435	648	(1,321)	1,649	2,636
Add : Revaluation of Property, Plant and Equipments (Refer Note 3(a))	-	-	-	-	379	379
Less : Share issuance expenses	6	-	-	-*	-	6
Total Comprehensive Income for the year	-	-	-	(526)	-	(526)
Remeasurement of post employment benefit obligation	-	-	-	(32)	-	(32)
Transfer to retained earnings	-	-	-	(17)	17	-
Balance as at March 31, 2024	1,219	435	648	(1,861)	2,011	2,451

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

*Amount is below the rounding off norms adopted by the Company

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

For and on behalf of the Board

INDOKEM LIMITED

Rachit Sheth

Partner

Membership No.: 158289

Mahendra K. Khatau

Chairman & Managing Director

DIN : 00062794

Manish M. Khatau

Director

DIN : 02952828

Rupal B. Parikh

Chief Financial Officer

Rajesh D. Pisal

Company Secretary

Place: Mumbai

Date: May 9, 2025

Place: Mumbai

Date: May 9, 2025

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025
₹ in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES

	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (loss) before tax	91	(522)
Adjustments for :		
Depreciation	207	238
Finance costs	272	294
Interest income	(3)	(8)
Allowances for credit losses	(6)	19
Bad debts written off	2	30
Provision no longer required	(2)	(9)
Sundry balances written off / (written back)	(15)	(2)
Unrealised exchange rate difference (net)	26	4
Operating profit before working capital changes	572	44
Changes in working capital:		
(Increase) / decrease in inventories	(494)	(399)
(Increase) / decrease in trade receivables	(622)	27
(Increase) / decrease in loans and advances	4	(39)
(Increase) / decrease in other financial assets	(7)	(3)
(Increase) / decrease in other assets	(195)	66
Increase / (decrease) in trade payables	1,297	480
Increase / (decrease) in other financial liabilities	7	(182)
Increase / (decrease) in other liabilities	(182)	423
Increase / (decrease) in provisions	24	(37)
Cash generated from operations	403	380
Income taxes refunded / (paid), net	(1)	(4)
Net cash (used in) / generated from operating activities	402	376

B. CASH FLOW FROM INVESTING ACTIVITIES

Expenditure on property, plant and equipment and capital advances	(79)	(136)
Investment in subsidiary	.*	(6)
Redemption / (investments in fixed deposits)	1	6
Interest received	2	8
Net cash (used in) / generated from investing activities	(76)	(128)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
₹ in lakhs

	Year ended March 31, 2025	Year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from loans taken from banks and financial institutions	169	799
Repayment of loans taken from banks and financial institutions	(279)	(723)
Unsecured loans taken from directors	121	82
Unsecured loans repaid to directors	(41)	(153)
Loan taken from Company	14	-
Repayment of loans to Company	(12)	-
Finance costs paid	(274)	(303)
Net cash (used in) / generated from financing activities	(302)	(298)
NET CASH (USED IN) / GENERATED FROM CONTINUING OPERATIONS	24	(50)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	24	(50)
Cash and cash equivalents at the beginning of the year	22	72
Cash and cash equivalents at the end of the year	46	22

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

Note:

The above cash flow statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on statement of Cash Flow as notified under Companies (Accounts) Rule 2015.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

For and on behalf of the Board

INDOKEM LIMITED

Rachit Sheth

Partner

Membership No.: 158289

Mahendra K. Khatau

Chairman & Managing Director

DIN : 00062794

Manish M. Khatau

Director

DIN : 02952828

Rupal B. Parikh

Chief Financial Officer

Rajesh D. Pisal

Company Secretary

Place: Mumbai

Date: May 9, 2025

Place: Mumbai

Date: May 9, 2025

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 1 : Corporate Information

Indokem Limited (referred to as "the Company") manufactures and deals in dyes, sizing chemicals and auxiliaries in textile industry. They are also engaged in manufacturing and marketing of resins and chemicals. The Company also deals in electrical capacitors. It has its head office in Mahim, Mumbai and branch offices at Ahmedabad, Delhi and Coimbatore. Its manufacturing facilities are located at Dahisar Mori and Ambernath near Mumbai and warehousing facilities are located at Dahisar Mori, Ambernath near Mumbai, Narol-Ahmedabad and Coimbatore locations. The Company is incorporated and domiciled in India and is listed on the Bombay Stock Exchange in India.

These Standalone financial statements are approved for issue by the Board of Directors on May 09, 2025.

Note 2.1 : Material Accounting Policies
a) Statement of compliance:

These financial statements are prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") notified under Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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 the accounting policy hitherto in use.

b) Basis of preparation and presentation:
1) Basis of preparation:

These financial statements have been prepared in accordance with historical cost basis except for the following assets and liabilities :

- i) Certain financial assets and liabilities are measured at fair value;
- ii) Assets held for sale are measured at the lower of carrying value and fair value less costs to sell; and
- iii) Defined benefit plans where plan assets are measured at fair value.

2) Functional and presentation currency:

The Company's presentation and functional currency is in Indian rupees. All amounts in these financial statements, except per share value and unless stated otherwise, have been rounded off and presented in lakhs.

3) Classification of assets and liabilities into current / non-current:

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. All the assets and liabilities have been classified as current / non-current as per the Company's normal operating cycle and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

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

c) Use of estimates:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

Differences between actual results and estimates are recognised in the period in which the results are known / materialised. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Critical estimates and judgements :

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
d) Property, plant and equipment ("PPE"):

The initial cost of an item of PPE comprises its purchase price net of any trade discounts and rebates and includes import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any other directly attributable expenditure incurred in making the asset ready for its intended use, including interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Material items such as spare parts, stand-by-equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16- property, plant and equipment.

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

Increases in the carrying amount arising on revaluation of PPE are credited to revaluation surplus in other comprehensive income. However, such increases are recognized in profit or loss to the extent that they reverse a revaluation decrease of the same asset previously recognized in profit or loss. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to the statement of profit and loss.

The revaluation surplus included in equity in respect of an item of PPE is transferred directly to retained earnings when the asset is derecognized. Depreciation on revalued assets is recognized in the statement of profit and loss.

The fair value related to free hold and leasehold land is generally determined based on market evidence appraisals undertaken by professionally qualified Independent valuers.

e) Capital work in progress:

Capital work in progress is stated at cost, net of impairment losses, if any.

f) Depreciation:

The Company provides depreciation as per the useful life of PPE as per Schedule II to the Companies Act, 2013. Depreciation is provided on Straight Line Method on all PPE including revaluation assets at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013, except in the case of following assets:

Nature of asset	Useful life
Leasehold Land and Building	Lease term
Leasehold Land (Naroda, Ahmedabad)	99 Years
Plant and Equipment	3 to 20 Years
Furniture and Fixture	5 to 10 Years
Office Equipment	5 Years
Vehicle	3 to 6 Years
Temporary shed	Remaining lease term

Assets costing less than ₹5,000/- are fully depreciated in the year of capitalisation. Depreciation on additions / deductions to PPE made during the year is provided on pro-rata basis from / upto the date of such additions / deductions, as the case may be.

g) Intangible assets:

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Nature of asset	Useful life
Computer software	3 years

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
h) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

i) Assets held for sale:

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for sale in its present condition subject only to terms that are usual and customary for sale of such assets. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment classified as held for sale are not depreciated.

j) Leases:

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

k) Impairment of non-financial asset:

Non-financial assets other than inventories and non-current assets held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the asset's or cash generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

l) Inventories:

- 1) Inventories are valued as follows:

Raw materials and packing materials are valued at lower of cost and net realisable value (NRV). Cost is determined on FIFO basis. The cost of inventory comprises of its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

- 2) Work-in-process is valued at lower of cost and net realisable value. Cost of finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of production. Cost of inventories is computed on FIFO basis.

- 3) Stock in trade is valued at cost or net realisable value whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and / or estimated costs necessary to make sale.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
m) Foreign currency transactions:

The transactions in currencies other than the Company's functional currency are translated at the rates of exchange prevailing at the dates of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the year end exchange rates. Foreign exchange gains and losses arising from such translation are recognised in the statement of profit and loss.

Foreign exchange differences regarded as adjustments to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains / losses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate as on the date of initial recognition.

n) Revenue recognition:

The Company derives revenues primarily from sale of manufactured goods, traded goods, services.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products are recognised at a time on which the performance obligation is satisfied.

Interest income is recognised on time proportion basis taking into account the amount outstanding on effective interest rate.

Recoveries from group Companies and third parties include recoveries towards common facilities / resources and other support provided to such parties which is recognised as per terms of agreement and in the year in which such services are rendered.

o) Income taxes:

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred income tax is recognised on differences between the carrying amount of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all deductible temporary differences and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and deferred tax liabilities are measured at applicable tax rates and offset and presented as net.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

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

p) Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on the presumption that the transaction to sell the assets or transfer the liability takes place either:

- 1) In the principal market for the asset or liability; or
- 2) In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ii) Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- iii) Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Financial assets:
Initial recognition and measurement:

Financial assets are recognised and measured in accordance with Ind AS 109 on financial instruments. Accordingly, the Company recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity.

Financial assets are initially recognised at fair value plus transaction costs directly attributable to its acquisition. The transaction costs incurred for the purchase of financial assets held at fair value through profit or loss are expensed in the statement of profit and loss immediately.

Subsequent measurement:

Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVPL). The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

1) Debt instruments:

There are three measurement categories into which the Company classifies its debt instruments:

At amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

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

Fair value through profit or loss (FVPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in the statement of profit and loss and presented within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

2) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVPL. The Company makes such election on an instrument by instrument basis.

The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the profit or loss.

Derecognition:

A Financial asset is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - 1) The Company has transferred substantially all the risks and rewards of the asset, or
 - 2) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVPL) are recognised in the statement of profit and loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

Impairment of Financial Asset:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (i) Financial assets that are debt instruments and are measured at amortised cost e.g. loans, debt securities, deposits and bank balance.
- (ii) For trade receivables, the Company uses a simplified approach as permitted under Ind AS 109

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- (iii) Financial assets measured at fair value through other comprehensive income.
- (iv) In case of other assets (listed as (i) and (ii) above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

r) Financial Liabilities:
Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortised cost:

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs. The borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

s) Employee benefits:
1) Short term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave and performance incentives.

2) Long term employee benefits:

The Company provides post-employment benefits under defined contribution and / or defined benefit plans:

(i) Defined benefit plan:

For defined benefit plan, the cost of providing benefits is determined using projected unit credit method with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains or losses are recognised in full in other comprehensive income for the period in which they occur. Past service costs both vested and unvested are recognised as an expense (a) when the plan amendment or curtailment occurs ; (b) when the entity recognises related restructuring cost or termination benefits, whichever is earlier. The retirement benefits obligation recognised in the Balance Sheet represents the present value of defined benefit obligations reduced by the fair value of plan assets.

(ii) Defined contribution plans:

Contribution to defined contribution plans are recognized as an expense when the employees have rendered services entitling them to such benefits.

t) Provisions, contingent liabilities and contingent assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost.

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

Contingent assets are not recognized in financial statements but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
u) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. These do not include bank balances earmarked / restricted for specific purposes.

v) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

w) Earnings per share:
1) Basic earnings per share:

Basic earnings per share is calculated by dividing the profit / (loss) after tax attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

2) Diluted earnings per share:

Diluted earnings per share is calculated by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

x) Business combinations and Goodwill

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are recognised in profit and loss as incurred.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the Company's financial statements.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment is specified in the court approved scheme.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

y) Ind AS 108: Segment Reporting:

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

Based on "Management Approach" as defined in Ind AS 108 - Operating segments, the operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
2.2 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Note 3 : Property, plant and equipment
Note 3 (a) : Property, plant and equipment F.Y.2024-25

₹ in lakhs

Assets	Free-hold land	Lease-hold land	Build-ings	Plant & machin-ery	Electrical fittings	Fur-niture and fix-tures	Vehicles	Office equip-ment	Total
GROSS BLOCK									
As at April 1, 2024	474	4,420	1,101	989	27	73	461	124	7,669
Additions	-	-	3	51	-	1	-	16	71
Deletions	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2025	474	4,420	1,104	1,040	27	74	461	140	7,740
DEPRECIATION									
As at April 1, 2024	-	232	266	336	18	43	248	72	1,215
For the Year	-	46	37	62	1	5	38	17	206
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	278	303	398	19	48	286	89	1,421
NET BLOCK									
As at March 31, 2025	474	4,142	801	642	8	26	175	51	6,319
As at March 31, 2024	474	4,188	835	653	9	30	213	52	6,455

3 (a) Property, plant and equipment F.Y.2023-24

₹ in lakhs

Assets	Free-hold land	Lease-hold land	Build-ings	Plant & machin-ery	Electrical fittings	Fur-niture and fix-tures	Vehicles	Office equip-ment	Total
GROSS BLOCK									
As at April 1, 2023	474	3,820	1,010	942	27	70	461	94	6,898
Additions	-	600	91	47	-	3	-	30	771
Deletions	-	-	-	-	-	-	-	-*	-*
Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2024	474	4,420	1,101	989	27	73	461	124	7,669

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
3 (a) Property, plant and equipment F.Y.2023-24 (Contd.)

₹ in lakhs

Assets	Free-hold land	Lease-hold land	Buildings	Plant & machinery	Electrical fittings	Furniture and fixtures	Vehicles	Office equipment	Total
DEPRECIATION									
As at April 1, 2023	-	174	228	275	17	37	194	55	980
For the Year	-	58	38	61	1	6	54	17	235
Deductions / Adjustments	-	-	-	-	-	-	-	-*	-*
As at March 31, 2024	-	232	266	336	18	43	248	72	1,215
NET BLOCK									
As at March 31, 2024	474	4,188	835	653	9	30	213	52	6,455
As at March 31, 2023	474	3,646	782	667	10	33	267	39	5,918

Notes:

- a) Vehicles having a written down value of ₹153.87 lakhs as at March 31, 2025 (₹180.61 lakhs as at March 31, 2024) have been secured against loan from Banks / Financial Institutions.
- b) Title deeds of immovable property are held in the name of the Company except as referred to in Note no. 33 (a).

Note 3 (b) : Capital work in progress

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
As at beginning of the year	4	52
For the Year	9	4
Deductions / Adjustments	1	53
Total Capital work in progress	12	4

Capital work in progress (CWIP) Ageing schedule

₹ in lakhs

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
As at 31 March 2025					
Projects in progress	8	4	-	-	12
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2024					
Projects in progress	4	-	-	-	4
Projects temporarily suspended	-	-	-	-	-

Note: There are no projects whose completion is overdue or has exceeded its cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 4: Intangible assets F.Y. 2024-25

₹ in lakhs

Assets	Goodwill	Computer software	Total
GROSS BLOCK			
As at April 1, 2024	71	43	114
Additions	-	2	2
Deletions	-	-	-
As at March 31, 2025	71	45	116
DEPRECIATION			
As at April 1, 2024	-	40	40
For the Year	-	1	1
Deductions / Adjustments	-	-	-
As at March 31, 2025	-	41	41
NET BLOCK			
As at March 31, 2025	71	4	75
As at March 31, 2024	71	3	74

Intangible assets F.Y. 2023-24

₹ in lakhs

Assets	Goodwill	Computer software	Total
GROSS BLOCK			
As at April 1, 2023	71	41	112
Additions	-	2	2
Deletions	-	-	-
As at March 31, 2024	71	43	114
DEPRECIATION			
As at April 1, 2023	-	37	37
For the Year	-	3	3
Deductions / Adjustments	-	-	-
As at March 31, 2024	-	40	40
NET BLOCK			
As at March 31, 2024	71	3	74
As at March 31, 2023	71	4	75

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 5 (a) : Investments
₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(a) Investments carried at Cost				
Investment in Foreign subsidiary unquoted				
240000 Equity shares of Refnol Overseas of US \$ 1 /each (As at March 31, 2025 - 2,40,000. As at March 31, 2024 - 2,40,000)	89	89	-	-
80,000 equity shares of Takka 10 each in Indokem Bangladesh Pvt. Ltd. ** (As at March 31, 2025 - 80,000. As at March 31, 2024 - 80,000)	6	6	-	-
Other investments, unquoted				
2,00,000 redeemable debentures of ₹ 100 each of Priyamvada Holdings Limited (As at March 31, 2025 - 2,00,000. As at March 31, 2024 - 2,00,000,)	1	1	-	-
50,000 optionally convertible debentures of ₹ 100 each of Khatau Holding and Trading Company Private Limited* (As at March 31, 2025 - 50,000. As at March 31, 2024 - 50,000)	-*	-*	-	-
	96	96	-	-
Total Investments	96	96	-	-

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

** During the Previous year, the Company has invested ₹ 6 lakhs in the equity share capital of its foreign subsidiary viz. Indokem Bangladesh (Pvt.) Ltd. The above Company was incorporated on April 30, 2023.

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Aggregate amount of unquoted investments	96	96	-	-
Aggregate amount of quoted investment	-	-	-	-
Investments carried at amortised cost	96	96	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 5 (b) : Loans

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Loans receivable considered good : Unsecured				
Loan to related parties (Refer Note 28)	-	-	36	38
Loans to employees	-	-*	-*	2
Total Loans	-	-*	36	40

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

Note 5 (c) : Other financial assets

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits	49	46	33	30
Bank Deposits with maturity more than 12 months	11	9	-	-
Other receivables	-	-	-*	-*
Export Incentives receivable	-	-	14	15
Total Other financial assets	60	55	47	45

Note : *Amount is below the rounding off norms adopted by the Company.

Note 5 (d) : Trade receivables

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivable considered good -Secured	113	83
Trade receivable considered good -Unsecured	3,007	2,430
Trade receivable which have significant increase in credit risk	41	48
Less : Allowances for credit losses	(41)	(48)
Total Trade receivables	3,120	2,513

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Trade Receivable ageing schedule as at March 31, 2025

₹ in lakhs

Particulars	Not due	Outstanding for following period from due date of payment as on March 31, 2025					
		Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2025							
Undisputed Trade Receivable - Considered Good	2,049	786	61	144	31	49	3,120
Undisputed Trade Receivable - which have significant increase in credit risk	-	9	3	1	3	25	41
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Total	2,049	795	64	145	34	74	3,161
Less: Expected Credit Loss (ECL)	-	9	3	1	3	25	41
Total Trade receivable	2,049	786	61	144	31	49	3,120
As at 31 March 2024							
Undisputed Trade Receivable - Considered Good	1,330	845	238	61	20	20	2,513
Undisputed Trade Receivable - which have significant increase in credit risk	-	7	9	3	3	26	48
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Total	1,330	852	247	64	23	45	2,561
Less: Expected Credit Loss (ECL)	-	7	9	3	3	26	48
Total Trade receivable	1,330	845	238	61	20	20	2,513

Note 5 (e) : Cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balances with banks:		
in current accounts	37	18
in Exchange Earners' Foreign Currency (EEFC) Account	1	1
(b) Cash in hand	3	3
(c) Fixed deposits having maturity less than 90 days	5	-
Total Cash and cash equivalents	46	22

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
5 (f). Bank balance other than cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposits with maturity less than 12 months	33	34
Unpaid dividend account	2	2
Other bank balances (refer below note)	—*	—*
Total Bank balance other than cash & cash equivalents	35	36

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

Note: The said amount is lying Escrow Account opened for the purpose Scheme of Arrangement and Amalgamation.

Note 6 : Income tax assets

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Income tax assets (Net of advances)	19	25	-	-
Total Income tax assets (net)	19	25	-	-

Note 7 : Other assets

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Considered good				
Indirect taxes recoverable	49	48	221	39
Prepayments	7	7	22	45
Advances to suppliers	-	-	64	24
Advances to related parties	—*	-	-	-
Advances to employees	-	-	12	11
Total Other assets	56	55	319	119

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

Note: Advances has been given in accordance with Section 186(4) of the Companies Act, 2013 and Refer note 28.

Note 8 : Inventories

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
At lower of cost or net realisable value		
(a) Raw materials, fuel and packing materials		
Raw materials	1,887	1,761
Packing materials	114	101
(b) Work-in-process	1	—*
(c) Finished goods		
Finished goods	486	386
Goods-in-transit	7	14
(d) Stock in trade	286	25
Total Inventories	2,781	2,287

Note: *Amount is below the rounding off norms adopted by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 9. Share capital and other equity
Note 9 (a) : Share capital
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
Equity shares of ₹ 10 /- each (As at March 31, 2025 - 2,83,25,600, As at March 31, 2024 - 2,83,25,600)	2,833	2,833
Preference shares of ₹ 10 /- each (As at March 31, 2025 - 21,00,000, As at March 31, 2024 - 21,00,000)	210	210
Issued Subscribed and fully paidup capital		
Equity shares of ₹ 10 /- each (As at March 31, 2025 - 2,78,88,255, As at March 31, 2024 - 2,78,88,255)	2,789	2,789
Subscribed Equity shares of ₹ 10 /- each (As at March 31, 2025 - 2,78,88,255, As at March 31, 2024 - 2,78,88,255)	2,789	2,789
	2,789	2,789

- (i) Reconciliation of number of shares and amount outstanding at the beginning and end of reporting period
Equity shares Issued and Subscribed

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of shares	Amount ₹ In lakhs	No of shares	Amount ₹In lakhs
At the beginning of year	2,78,88,255	2,789	2,43,25,600	2,433
Increase during the year	-	-	35,62,655	356
Cancelled during the year	-	-	-	-
At the end of reporting period	2,78,88,255	2,789	2,78,88,255	2,789

- (ii) Rights, preference and restrictions attached to shares:

Equity shares:

The Company has only one class of equity shares having par value of ₹ 10 /- per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (iii) The details of shareholders holding more than 5% of shares of the Company :

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	%	Number	%
Equity shares:				
Vindhyapriya Holdings Private Limited	55,09,421	19.76%	55,09,421	19.76%
Mahendra K. Khatau	31,14,967	11.17%	31,14,967	11.17%
Priyanilgiri Holdings Private Limited	48,96,929	17.56%	48,96,929	17.56%
MKK Holdings Private Limited	37,77,877	13.55%	37,77,877	13.55%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(iv) Promoter's Shareholding :

S. No.	Assets	As at March 31, 2025			As at March 31, 2024		
		No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
(i)	Vindhyapriya Holdings Private Limited	55,09,421	19.76	-	55,09,421	19.76	(0.03)
(ii)	Priyanilgiri Holdings Private Limited	48,96,929	17.56	-	48,96,929	17.56	-
(iii)	Mkk Holdings Private Limited	37,77,877	13.55	-	37,77,877	13.55	-
(iv)	Mahendra Kishore Khatau	31,14,967	11.17	-	31,14,967	11.17	(0.90)
(v)	Khatau Holdings And Trading Company Private Limited	8,47,705	3.04	-	8,47,705	3.04	-
(vi)	Emerald Capital Services Private Limited	3,88,920	1.39	-	3,88,920	1.39	-
(vii)	Leelabai Kishore Khatau	80,883	0.29	-	80,883	0.29	-
(viii)	Asha Marine Products Private Limited	52,700	0.19	-	52,700	0.19	-
(ix)	Asha Mahendra Khatau	53,046	0.19	-	53,046	0.19	(0.17)
(x)	Anil Kishore Khatau	42,738	0.15	-	42,738	0.15	(0.01)
(xi)	Priya Mahendra Khatau	47,015	0.17	-	47,015	0.17	(0.21)
(xii)	Manish Mahendra Khatau	45,453	0.16	-	45,453	0.16	(0.28)
(xiii)	Prism Plantations Private Limited	21,890	0.08	-	21,890	0.08	(0.06)
(xiv)	Neomy Anil Khatau	12,500	0.04	-	12,500	0.04	-
(xv)	Ilesha Anil Khatau	5,250	0.02	-	5,250	0.02	-
(xvi)	Shreya S. Singhanian	5,000	0.02	-	5,000	0.02	-
(xvii)	Khatau Leasing And Finance Company Private Limited	2,59,425	0.93	-	2,59,425	0.93	-

Note 9 (b) : Other equity

₹ in lakhs

Particulars	As at March 31, 2025	As at April 1, 2024
Securities premium	1,219	1,219
Capital reserve	435	435
General reserve	648	648
Retained earnings	(1,762)	(1,861)
Revaluation Reserve	1,990	2,011
Total Reserves and surplus	2,529	2,451

Nature and purpose of other reserves:
Securities premium

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

Capital reserve

Capital reserve includes amounts realised on forfeiture of shares and reserves acquired on previous amalgamations.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
General reserve

General reserve consists of reserve created on account of the difference between the fair valuation of assets and liabilities acquired by Company vis-a-vis the share capital it issued on amalgamation with its subsidiary companies vide Amalgamation Scheme approved by the Honorable High Court of Bombay.

10 (a). Long term borrowings
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
(a) Rupee term loans / vehicle loans		
(i) From banks (Refer note (i) below)	6	26
(ii) From financial institutions (Refer note (i) below)	46	69
(b) Loans repayable		
(i) From banks - (Refer note (i) below)	533	570
Total Secured loans [A]	585	665
Unsecured		
(a) 20,70,975 8% Non-cumulative redeemable preference shares of ₹10 /- each (Refer note (ii) below)	207	207
(b) Loans from Bank (Refer note (i) below)	-	17
(c) Loans from financial institutions (Refer note (i) and (iii) below)	400	390
Total Unsecured loans [B]	607	614
Total Borrowings [A+B]	1,192	1,279

Note 10(b). Short term borrowings
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
a) Current maturities of long term borrowings(Refer note 10(a))		
(i) From banks (Refer note (i) below)	119	103
(ii) From financial institutions	23	22
b) From Bank working capital	559	567
Unsecured		
(a) From financial institutions	15	39
(b) Loan from banks	17	25
(c) Loan from related parties ((Refer note (iv) below)	287	204
Total Short term borrowings	1,020	960

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
i) Repayment terms and securities of secured loans:
₹ in lakhs

Nature of security	Terms of repayment	Month in which last installment is due	Prevailing Interest rate per annum	Balance as at March 31, 2025	Balance as at March 31, 2024
Secured and unsecured rupee term loans / vehicle loans from banks / financial institution / working capital					
Secured against hypothecation of specific vehicle	Monthly instalments	August 05,2025	10.42%	2	6
Secured against hypothecation of specific vehicle	Monthly instalments	August 05,2025	10.41%	2	6
Secured against hypothecation of specific vehicle	Monthly instalments	January 05,2026	8.64%	3	7
Secured against hypothecation of specific vehicle	Monthly instalments	September 20,2026	6.89%	8	13
Secured against hypothecation of specific vehicle	Monthly instalments	September 2,2026	7.40%	10	16
Secured against hypothecation of specific vehicle	Monthly instalments	December 04,2027	8.22%	69	90
Loan from NBFC Unsecured	Monthly instalments	October 5, 2025	9% to 16%	415	429
Loan from Bank Unsecured	Monthly instalments	1st November, 2025	15% to 17%	17	42
Secured against property -(Building - Khatau house, first and exclusive charge on entire current and movable fixed asset and Dropline overdraft facility of ₹ 800 lakhs were sanctioned in the month of March, 2022. Validity of facility is for 120 months leads reduction in limit by ₹6.67 lakhs every month.	Monthly reducing reset plan	Repayable on Demand	11.40% to 11.96%	633	650
Working Capital from ICICI Bank, Secured by a first charge over the entire fixed and current assets and personally guaranteed by two Promoter Directors of the Company.	Repayable on Demand	Repayable on Demand	6.1% to 11%	559	567
				1,718	1,827

(ii) Unsecured preference shares

The 8% non-cumulative, redeemable preference shares amounting to ₹207 lakhs were allotted on February 11, 2016. The terms of redemption have been further extended to February 10, 2030.

(iii) Unsecured loans from financial institutions

Loans from financial institutions are secured against pledging of investments held by promoters in personal capacity. It carries a rate of interest ranging from 9 % to 16 % p.a.

(iv) Unsecured loans from related parties

Unsecured loans from related parties do not have any specific repayment schedule. Hence it has been classified under Short term borrowings. It carries a rate of interest 12 % p.a.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 10(c). Other financial liabilities

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits from others	276	269	4	4
Interest accrued but not due on loans	-	-	5	6
Others	-	-	—*	—*
Unclaimed dividend	-	-	2	2
Provision for Service Tax receivable	-	-	2	2
Interest accrued and due on borrowings	-	-	2	4
Total Other financial liabilities	276	269	15	18

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

Note 10 (d) : Trade payables

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables:		
- Dues to micro and small enterprises (Refer Note below)	22	126
- Other than micro and small enterprises	4,168	2,766
Total Trade payables	4,190	2,892

Trade payable ageing summary

₹ in lakhs

Particulars	Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at March 31, 2025						
MSME	17	5	-	-	-	22
Others	2,151	1,954	35	4	24	4,168
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2024						
MSME	-	126	-	-	-	126
Others	1,368	1,371	5	2	19	2,766
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Note 11 : Provisions

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits				
Gratuity (Refer Note 24)	217	220	111	85
Compensated absences (Refer Note 24)	66	65	39	24
Superannuation scheme	7	7	-	-
Total Provisions	290	292	150	109

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 12 : Other current liabilities
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory and other related dues	40	53
Employee benefit payable	158	183
Payable to others	149	46
Advance from customers	223	485
Total Other current liabilities	570	767

Note 13 : Revenue from operations
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products		
Sales		
Finished goods	14,859	13,497
Sales of services	-	24
Stock in trade	438	374
Total Sales	15,297	13,895
Other operating revenues		
Freight, octroi, insurance and handling charges recovered	4	2
Export incentives	64	54
Total Revenue from operations	15,365	13,951

Note 14 : Other income
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
- on fixed deposits with banks	3	2
- on others	.*	6
Recovery of office expenses	6	4
Gain on foreign exchange transactions (net)	36	11
Service charges earned	1	1
Provisions no longer required written back	2	9
Miscellaneous Income-others	2	6
Profit / (Loss) on sale of investment	.*	-
Sundry balances written back (net)	15	2
Total Other income	65	40

Note: *.Amount is below the rounding off norms adopted by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 15 : Cost of materials consumed
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock of raw materials	1,761	1,257
Add : Purchases	10,301	9,648
Less : Closing stock of raw materials	1,887	1,761
Cost of raw materials consumed	10,175	9,144
Opening stock of packing materials	101	112
Add : Purchases	769	682
Less : Closing stock of packing materials	114	101
Cost of packing materials consumed	756	694
Total Cost of materials consumed	10,931	9,838

Note 16 : Changes in inventories of finished goods, work-in-process and stock in trade
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock:		
Finished goods	400	468
Stock in trade	25	25
Work-in-process	-*	17
Less: Closing Stock:		
Finished goods	494	400
Stock in trade	286	25
Work-in-process	1	-*
(Increase) / decrease in inventories	(356)	84

Note: *Amount is below the rounding off norms adopted by the Company.

Note 17 : Employee benefit expenses
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	1,484	1,460
Contribution to staff provident and other funds (Refer Note No. 24)	36	41
Staff welfare expenses	40	43
Gratuity expenses (Refer Note No. 24)	42	31
Total Employee benefit expenses	1,602	1,574

Note 18 : Finance cost
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on		
- Borrowings	218	239
- Others	54	55
Total Finance costs	272	294

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 19 : Other expenses
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent	106	113
Power and fuel	167	198
Water charges	4	5
Repairs and maintenance		
Buildings	33	23
Plant & machinery	38	31
Equipments	22	29
Others	77	82
Security charges	36	25
Effluent treatment plant expenses	10	8
Laboratory and testing expenses	70	43
Rates and taxes	7	6
Doubtful debts written off (net)	2	30
Provision / Reversal of Expected Credit Loss	(6)	19
Freight, forwarding and repacking	808	728
Legal and professional fees	208	267
Travelling and conveyance	252	288
Auditor's remuneration (Refer Note below)	11	15
Communication expense	14	15
Printing, postage and courier	36	39
Insurance	34	29
Commission on sales	34	24
Advertisement and sales promotion	30	66
Directors sitting fees	4	7
Penalties and fines	.*	.*
Sundry balances written off	9	1
Amalgamation Expenses	11	30
Other establishment expenses	94	138
Total Other expenses	2,111	2,259

Note: *.Amount is below the rounding off norms adopted by the Company.

Note: Auditor's remuneration comprises (net of goods and service tax)
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As an auditor including limited review	9	9
Tax audit	1	1
For Taxation matters	1	5
Total Auditor's remuneration	11	15

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 20 : Income taxes

Income tax expenses recognised in the statement of profit and loss comprises of:

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current income taxes	-	-
Deferred tax	-	-
Effective income tax rate (%)*	Nil	Nil

* Note: Due to the carried forward business and unabsorbed depreciation losses of past years, the taxable profit of the Company shall be set off against such losses. Hence, the effective tax rate is Nil.

Note 21 : Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit after tax attributable to owners of the Company (₹ in lakhs)	92	(526)
Weighted average equity shares for the purpose of calculating		
Basic earnings per share (nos.)	2,78,88,255	2,78,88,255
Diluted earnings per share (nos.)	2,78,88,255	2,78,88,255
Basic earnings per share		
Total basic earnings per share attributable to owners (₹)	0.33	(1.89)
Diluted earnings per share		
Total basic earnings per share attributable to owners (₹)	0.33	(1.89)

Note 22 : Contingent liabilities (to the extent not provided for)

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Disputed income tax demand in appeal	123	125
Claims against the Company not acknowledged as debts	78	78
Disputed provident fund damages in appeal	93	77
Disputed Employees' State Insurance Corporation fund damages in appeal	-	7
Custom duty in the event of non-fulfilment of export obligations in respect of advance licenses availed	29	29
Goods and service tax demand in appeal	1,567	1,567
Total	1,890	1,883

Note 23 : Financial instruments
(i) Capital management

For the purpose of the Company's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company's capital management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholders' value. The Company is monitoring capital using debt equity ratio as its base, which is debt to equity. The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of debt which includes the borrowings, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(i) Capital management (Contd.)

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Debt (including borrowings from related and unrelated parties)	2,212	2,239
Less: Cash and cash equivalents including short term deposits	(46)	(58)
Net debt (A)	2,166	2,181
Total equity (B)	5,318	5,240
Net debt to equity ratio (A /B)	0.41	0.42

(ii) Categories of financial instruments

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

₹ in lakhs

Particulars	Amortized cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets :					
Cash and cash equivalents	46	-	-	46	46
Bank balance other than cash and cash equivalents	35	-	-	35	35
Investments in Subsidiary	95	-	-	95	95
Investments	1	-	-	1	1
Trade receivables	3,120	-	-	3,120	3,120
Loans	36	-	-	36	36
Other financial assets	107	-	-	107	107
Total	3,440	-	-	3,440	3,440
Financial liabilities:					
Borrowings	2,212	-	-	2,212	2,212
Trade payables	4,190	-	-	4,190	4,190
Other financial liabilities	291	-	-	291	291
Total	6,693	-	-	6,693	6,693

Categories of financial instruments

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

₹ in lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets :					
Cash and cash equivalents	22	-	-	22	22
Bank balance other than cash and cash equivalents	36	-	-	36	36
Investments in subsidiary	95	-	-	95	95
Investments	1	-	-	1	1

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(ii) Categories of financial instruments (Contd.)

The carrying value of financial instruments by categories as of March 31, 2024 is as follows: (Contd.)

₹ in lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Trade receivables	2,513	-	-	2,513	2,513
Loans	40	-	-	40	40
Other financial assets	100	-	-	100	100
Total	2,807	-	-	2,807	2,807
Financial liabilities:					
Borrowings	2,239	-	-	2,239	2,239
Trade payables	2,892	-	-	2,892	2,892
Other financial liabilities	287	-	-	287	287
Total	5,418	-	-	5,418	5,418

Fair Value Hierarchy :

The fair value hierarchy is based on the inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices and mutual funds are measured using the closing net asset value (NAV)

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

Level 3 – if one or more of the significant inputs is based on observable market data, the instrument is included in Level 3.

The fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2025 is as follows :

₹ in lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial assets :				
At fair value through profit and loss	-	-	-	-
Investment in optionally convertible debentures	-	-	1	1
Total	-	-	1	1

The fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2024 is as follows :

₹ in lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial assets :				
At fair value through profit and loss	-	-	-	-
Investment in optionally convertible debentures	-	-	1	1
Total	-	-	1	1

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Cash and cash equivalents, other bank balances, trade and other receivables, trade and other payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

The fair value of Company's interest bearing borrowings are determined using amortised cost basis using a discount rate that reflects issuer's borrowing rate as at the end of reporting date.

Financial risk management objectives:

The Company's activities exposes it to a variety of financial risk viz. market risks, credit risks and liquidity risks. In order to manage the aforementioned risks, the Company has a risk management policy and a program that performs close monitoring of and responding to each risk factors.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates and other market changes.

Foreign currency risk:

Foreign currency risk mainly arises from transactions undertaken by an operating unit in currencies other than its functional currency. The carrying amount of Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows :

Particulars	USD in lakhs	₹ in lakhs
As at March 31, 2025		
Financial assets	6	520
Financial liabilities	1	100

5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in decrease / increase in the Company's profit before tax by approximately ₹21.00 lakhs (net) for the year ended March 31, 2025.

Particulars	USD in lakhs	₹ in lakhs
As at March 31, 2024		
Financial assets	7	603
Financial liabilities	2	160

5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in decrease / increase in the Company's profit before tax by approximately ₹22.17 lakhs (net) for the year ended March 31, 2024.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have significant floating interest rate borrowings during the year ended March 31, 2025 and March 31, 2024. Hence, the Company is not exposed to significant interest rate risk as at the respective reporting dates.

Credit risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Liquidity risk:

The responsibility for liquidity risk management rests with the Board of Directors, which has an appropriate liquidity risk management framework for the management of the Company's short, medium and longterm funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

The table below provides details regarding contractual maturities of significant financial liabilities as at March 31, 2025

₹ in lakhs

Particulars	Within one year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	1,020	1,192	-	2,212
Trade and other payables	4,190	-	-	4,190
Other financial liabilities	15	276	-	291
Total Financial liabilities	5,225	1,468	-	6,693

The table below provides details regarding contractual maturities of significant financial liabilities as at March 31, 2024

₹ in lakhs

Particulars	Within one year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	960	1,279	-	2,239
Trade and other payables	2,892	-	-	2,892
Other financial liabilities	18	269	-	287
Total Financial liabilities	3,870	1,548	-	5,418

Note 24 : Disclosure as required under Ind AS-19 - Employee Benefits
I. Defined Contribution Plans:

The Company has recognised the following amounts in the Income Statement during the year under "Contribution to staff provident and other funds. (Refer Note No. 17)

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to Provident Fund	35	39
Employer's contribution to Employee State Insurance	1	2
Total	36	41

II. Defined benefit plans
A) Gratuity

The Gratuity plan is governed by the Payment of Gratuity Act, 1972 and it is non funded. Under the plan, qualifying employees are entitled to Gratuity depending upon the number of years of service rendered by them subject to minimum specified number of years of service and the salary at time of retirement / resignation.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
a) Movements in present value of defined benefit obligation (DBO)
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Obligations as at beginning of the year	305	285
Current service cost	23	21
Interest cost	19	10
Past service cost	-	-
Benefits paid	(33)	(42)
Actuarial (gain) / loss on obligations	14	31
Present value of defined benefit obligation as at end of the year	328	305

b) Amount recognised in the Balance Sheet
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Present value of defined benefit obligation as at end of the year	328	305
Net Liability recognised in the Balance Sheet	328	305

c) Amounts recognised in the statement of Profit and Loss
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Current service cost	23	21
Interest cost	19	10
Total Amounts recognised in the statement of Profit and Loss	42	31

d) Amounts recognised in other comprehensive income
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Components of actuarial gain / losses on obligations:		
Due to change in financial assumptions	7	1
Due to change in experience adjustments	7	31
Total	14	32

e) Sensitivity analysis
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
DBO On base assumptions		
A. Discount Rate		
1. Effect due to 0.5% increase in discount rate	323	300
2. Effect due to 0.5% decrease in discount rate	334	311
B. Salary Escalation Rate		
1. Effect due to 0.5% increase in salary escalation rate	334	311
2. Effect due to 0.5% decrease in salary escalation rate	323	300
C. Withdrawal Rate		
1. Effect due to 10 % (10%) increase in withdrawal rate	329	307
2. Effect due to 10 % (10%) decrease in withdrawal rate	328	304

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
f) Actuarial assumptions

Following are the principal actuarial assumptions used at Balance Sheet date:

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Discount rate (per annum)	6.55%	7.20%
Expected return on plan assets	NA	NA
Withdrawal rate	15% p.a at younger ages to 10% p.a. at older ages	15% p.a at younger ages to 10% p.a. at older ages
Salary growth rate	5%	5%
Mortality rates	India Assured Lives Mortality (2012-14)	

B) Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits for measurement purpose. The Company's liability is actuarially determined by an independent actuary using the Projected Unit Credit Method at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

a) Movements in present value of defined benefit obligation (DBO)

₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Obligations as at beginning of the year	89	115
Current service cost	24	23
Interest cost	6	4
Benefits paid	(10)	(30)
Others	3	(14)
Actuarial (gain) / loss on obligations	(8)	(9)
Present value of defined benefit obligation as at end of the year	104	89

b) Amount recognised in the Balance Sheet

₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Present value of defined benefit obligation as at end of the year	104	89
Net Liability recognised in the Balance Sheet	104	89

c) Amounts recognised in the statement of Profit and Loss

₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Current service cost	24	23
Interest cost	6	4
Expected return on plan assets	(6)	-
Total Amounts recognised in the statement of Profit and Loss	24	27

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
d) Sensitivity analysis
₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
DBO On base assumptions		
A. Discount Rate		
1. Effect due to 0.5% increase in discount rate	102	88
2. Effect due to 0.5% decrease in discount rate	106	92
B. Salary Escalation Rate		
1. Effect due to 0.5% increase in salary escalation rate	106	92
2. Effect due to 0.5% decrease in salary escalation rate	102	88
C. Withdrawal Rate		
1. Effect due to 10% (10%) increase in withdrawal rate	104	90
2. Effect due to 10% (10%) decrease in withdrawal rate	104	90

e) Actuarial assumptions
Following are the principal actuarial assumptions used at Balance Sheet date:

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Discount rate (per annum)	6.55%	7.20%
Expected return on plan assets	NA	NA
Withdrawal rate	10% to 15%	10% to 15%
Salary growth rate	5.00%	5.00%
Mortality rates	India Assured Lives Mortality (2012-14)	
Leave availment rate	1.50%	1.5% to 2%
Leave encashment rate	0.00%	0.00%

Note 25 : Operating leases

The Company has taken office, factory spaces and warehouses under cancellable operating leases for periods ranging from 11 months to 3 years. Lease arrangements are usually renewable on mutually agreed terms and are cancellable by written notice.

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Future minimum lease payments are as follows:		
- not later than one year	100	97
- later than one year but not later than five years	107	106
- later than five years	-	-
Total	207	203

Note 26 : Segment reporting
Business Segment:

The Company operates in two segment viz. textile dyes and chemicals and electrical capacitors, however the segment reporting for electrical capacitors is not disclosed separately, as the same does not qualify for separate disclosure as per Ind AS 108 on operating segments.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 27 : Deferred tax

Deferred tax asset on carry forward of unused tax losses and unused tax credits has not been recognised because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Details of business loss and unabsorbed depreciation carry forward in future till assessment year 2024-25 is as follows.

Assessment year	Unabsorbed Deprecation ₹ in lakhs	Unabsorbed Business Loss ₹ in lakhs	Remarks
2000-01	181	-	
2001-02	26	-	
2002-03	-*	-	
2003-04	2	-	
2004-05	19	-	
2006-07	104	-	
2009-10	6	-	
2011-12	19	-	
2012-13	18	-	
2013-14	15	-	
2014-15	14	-	
2015-16	13	-	
2016-17	64	-	
2019-20	98	-	
2021-22	21	-	
2024-25	157	241	
Total	757	241	
Total unabsorbed depreciation and business loss	998	-	
Income tax @ 25.17%	251	-	

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

Based on the above deferred tax assets to the extent of ₹ 251.13 lakhs is available in future to set off against future income tax.

Note 28 : Related party relationships, transactions and balances: (as per IND-AS 24)
a) Subsidiaries

Name of Party	Description of relationship
1) Refnol Overseas Limited	Subsidiary
2) Indokem Bangladesh (Pvt.) Limited (Incorporated on 30th April, 2023)	Subsidiary
3) Tex Care Middle East LLC	Step Down Subsidiary

b) Enterprise significantly influenced by the Key Managerial Personnel or their relatives

- 1) Chemron Texchem LLP
- 2) Asha Marine Products Private Limited
- 3) Emerald Capital Services Private Limited
- 4) Vindhyapriya Holdings Private Limited

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
b) Enterprise significantly influenced by the Key Managerial Personnel or their relatives (Contd.)

- 5) Khatau Leasing and Finance Company Private Limited
- 6) Prism Plantations Private Limited
- 7) Khatau Holding and Trading Company Private Limited
- 8) MKK Holdings Private Limited
- 9) Priyanilgiri Holdings Private Limited
- 10) Priyamvada Holdings Limited
- 11) Orchard Acres
- 12) Reactive Engineering Private Limited

c) Key management personnel and their relatives

- 1) Mr. Mahendra K. Khatau (Chairman and Managing Director)
- 2) Mrs. Asha M. Khatau (Non-Executive Director and wife of Chairman)
- 3) Mr. Manish M. Khatau (Whole-Time Director and son of Chairman)
- 4) Mr. Kailash Pershad (Non-Executive Independent Director) till 31.03.24
- 5) Mr. Bhalchandra G. Sontakke (Non-Executive Independent director) till 31.03.24
- 6) Mrs. Sneha Vidyadhar Khandekar (Non-Executive Independent Director)
- 7) Mr. Suyash Neelkanth Bhise (Non-Executive Independent Director)
- 8) Mr. Adarsh Shukla (Non-Executive Independent Director)
- 9) Mr. Rahul Singh (Non-Executive Independent Director)
- 10) Ms. Rupal B. Parikh (Chief Financial Officer)
- 11) Mr. Rajesh D. Pisal (Company Secretary)
- 12) Mr. Arup Basu (Managing Director)
- 13) Mr. Vikas Agarwal (CFO - Refnol Resins and Chemicals Limited) till 29.09.23.
- 14) Mr. Bilal Topia (CS, Refnol Resins and Chemicals Limited) till 29.09.23.
- 15) Mrs. Leela K. Khatau (Consultant, Refnol Resins and Chemicals Limited - mother of Shri Mahendra K. Khatau - Chairman) till 29.09.23.
- 16) Mr. Mukund R. Nagpurkar (Non-Executive Independent Director Refnol Resins and Chemicals Limited) till 29.09.23.

d) Key Managerial Personnel Compensation

Particulars	₹ in lakhs	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Short-term employee benefits	178	198
Terminal Benefits	12	14
Other Benefits	5	7
Total Compensation	195	219

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
e) Details of transactions with related parties during the year

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Revenue from operations						
Orchard Acres	307	169	-	-	307	169
Tex Care Middle East LLC (Sales of Goods)	460	591	-	-	460	591
Tex Care Middle East LLC (Sales of Services)	-	24	-	-	-	24
Total	767	784	-	-	767	784
Purchase of Goods						
Orchard Acres	1,187	913	-	-	1,187	913
Total	1,187	913	-	-	1,187	913
Income :						
Rent Received / Other Income / Sale Of Assets						
Orchard Acres	22	22	-	-	22	22
Tex Care Middle East LLC	-	24	-	-	-	24
Indokem Bangladesh (Pvt.) Limited	2	2			2	2
Total	24	48	-	-	24	48
Director's Sitting Fees						
Mr. Mahendra K. Khatau	-	-	-	_*	-	_*
Mrs. Asha M. Khatau	-	-	_*	1	_*	1
Mr. Kailash Pershad	-	-	-	1	-	1
Mr. Bhalchandra G. Sontakke	-	-	-	2	-	2
Mr. Mukund R. Nagpurkar	-	-	-	_*	-	_*
Mr. Rahul Singh	-	-	1	2	1	2
Mr. Adarsh Shukla	-	-	1	_*	1	_*
Mr. Suyash Neelkanth Bhise	-	-	1	_*	1	_*
Mrs. Sneha Vidyadhar Khandekar	-	-	_*	_*	_*	_*
Total	-	-	4	7	4	7
Managerial Remuneration #						
Mr. Mahendra K. Khatau	-	-	72	72	72	72
Mr. Manish M. Khatau	-	-	36	36	36	36
Ms. Rupal B. Parikh	-	-	21	24	21	24
Mr. Arup Basu	-	-	35	34	35	34
Mr. Vikas Agarwal	-	-	13	29	13	29
Mr. Bilal Topia	-	-	-	5	-	5
Mr. Rajesh D. Pisal	-	-	18	19	18	19
Total	-	-	195	219	195	219

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
e) Details of transactions with related parties during the year (Contd.)

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Expenses						
Orchard Acres	23	22	-	-	23	22
Mrs. Leela K. Khatau	-	-	-	5	-	5
Reactive Engineering Private Limited	25	24	-	-	25	24
Total	48	46	-	5	48	51

Note 1 : *Amount is below the rounding off norms adopted by the Company.

Note 2 : # does not include the amount payable towards compensated absences by the Company, as the same is calculated for the Company as a whole on actuarial basis.

f) Details of transactions with related parties during the year

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest on Borrowings						
Prism Plantations Private Limited	2	2	-	-	2	2
Mr. Mahendra K. Khatau	-	-	7	16	7	16
Mrs. Asha M. Khatau	-	-	6	7	6	7
Mr. Manish M. Khatau	-	-	8	9	8	9
Reactive Engineering Private Limited	-*	-	-	-	-*	-
Total	2	2	21	32	23	34
Loan Taken during the year						
Prism Plantations Private Limited	11	3	-	-	11	3
Mr. Mahendra K. Khatau	-	-	106	63	106	63
Mrs. Asha M. Khatau	-	-	-	20	-	20
Mr. Manish M. Khatau	-	-	15	-	15	-
Reactive Engineering Private Limited	3	-	-	-	3	-
Total	14	3	121	83	135	86
Loan repaid during the year						
Prism Plantations Private Limited	12	-*	-	-	12	-*
Mr. Mahendra K. Khatau	-	-	23	125	23	125
Mrs. Asha M. Khatau	-	-	-	20	-	20
Mr. Manish M. Khatau	-	-	17	7	17	7
Total	12	-*	40	152	52	152
Deposit given						
Reactive Engineering Private Limited	1	-	-	-	1	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
f) Details of transactions with related parties during the year (Contd.)

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Total	1		-	-	1	-
Advances paid during the year						
Indokem Bangladesh (Pvt.) Limited	32	36	-	-	32	36
Total	32	36	-	-	32	36

Note: *Amount is below the rounding off norms adopted by the Company.

g) Outstanding balances with related parties:

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Managerial Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade receivables						
Orchard Acres	512	61	-	-	512	61
Tex Care Middle East LLC	(22)	105	-	-	(22)	105
Less: Allowances for Credit Losses	-	-	-	-	-	-
Net amount receivable	490	166	-	-	490	166
Other receivables						
Indokem Bangladesh (Pvt.) Limited	4	2	-	-	4	2
Orchard Acres	-	115	-	-	-	115
Total	4	117	-	-	4	117
Deposit given						
Orchard Acres	5	5	-	-	5	5
Reactive Engineering Private Limited	4	3	-	-	4	3
Total	9	8	-	-	9	8
Investments in optionally convertible debentures						
Khatau Holding and Trading Company Private Limited	-*	-*	-	-	-*	-*
Priyamvada Holdings Limited	1	1	-	-	1	1
Investments in Equity Shares						
Indokem Bangladesh (Pvt.) Limited	6	6	-	-	6	6
Total	7	7	-	-	7	7
Loan - Indokem Bangladesh (Pvt.) Limited	32	36	-	-	32	36
Advance - Indokem Bangladesh (Pvt.) Limited	-*	-	-	-	-*	-
Total	32	36	-	-	32	36

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
h) Outstanding balances with related parties:

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Managerial Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade Payables						
Orchard Acres	645	355	-	-	645	355
Total	645	355	-	-	645	355
Borrowings						
Prism Plantations Private Limited	15	16	-	-	15	16
Mr. Mahendra K. Khatau	-	-	150	67	150	67
Mrs. Asha M. Khatau	-	-	54	54	54	54
Mr. Manish M. Khatau	-	-	65	68	65	68
Reactive Engineering Private Limited	3	-	-	-	3	-
Total	18	16	269	189	287	205
Interest accrued and due on borrowings						
Prism Plantations Private Limited	-*	-*	-	-	-*	-*
Mr. Mahendra K. Khatau	-	-	1	1	1	1
Mrs. Asha M. Khatau	-	-	-*	1	-*	1
Mr. Manish M. Khatau	-	-	1	1	1	1
Reactive Engineering Private Limited	-*	-	-	-	-	-
Total	-*	-*	2	3	2	3
Other Payables						
Reactive Engineering Private Limited	5	2	-	-	5	2
Total	5	2	-	-	5	2
O /S Dues Managerial Remuneration						
Mr. Mahendra K. Khatau	-	-	3	3	3	3
Mr. Manish M. Khatau	-	-	2	2	2	2
Mr. Arup Basu	-	-	1	2	1	2
Mr. Vikas Agarwal	-	-	-	2	-	2
Ms. Rupal B. Parikh	-	-	2	2	2	2
Mr. Rajesh D. Pisal	-	-	1	1	1	1
Total	-	-	9	12	9	12

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

Note 29 : Expenditure on Corporate Social Responsibility (CSR)

There is no amount required to be spent by the Company during the year towards Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 30 : Managerial Remuneration

Total remuneration paid by the Company to its Directors including Managing Director (MD) was in accordance with the limits prescribed under section 197 read with Schedule V of the Companies Act, 2013.

Note 31 : Disclosures related to various Ratios

₹ in lakhs

Name of Ratio	Formula	F.Y. 2024-25		F.Y. 2023-24		% of change	Reason for variation if change is more than 25% + /- as compared to previous year
Current Ratio (No. of times)	Current Assets	6,384	1.07	5,062	1.07	(0.68)	NA
	Current Liabilities	5,945		4,746			
Debt Equity Ratio (No. of times)	Short term Debt + Long term Debt	2,212	0.43	2,238	0.43	2.64	NA
	Share holder's equity	5,318		5,240			
Debt Service Coverage Ratio (No. of times)	Earnings available for Debt service	570	1.04	(45)	(0.14)	859.58	due to profit in current year
	Debt service	549		310			
Return on Equity	Net Profit After Tax	92	1.74%	(526)	(9.85%)	117.68	The increased in ratio is due to profit after taxes in current year as compared to loss in the previous year.
	Average Share holder's equity	5,279		5,333			
Inventory Turnover Ratio(No. of times)	Sales	15,365	6.06	13,951	6.68	9.29	NA
	Average Inventory	2,534		2,087			
Trade Receivable turnover Ratio(No. of times)	Net Sales	15,365	5.46	13,951	5.46	0.16	NA
	Average Trade receivables	2,816		2,553			
Trade payable turnover Ratio (No. of times)	Net Purchase / Services	13,750	3.88	12,765	4.81	19.33	NA
	Average Trade payables	3,541		2,652			
Net Capital Turnover Ratio (No. of times)	Net Sales	15,365	34.99	13,951	44.13	20.72	NA
	Working Capital	439		316			
Net Profit Ratio	Net Profit After Tax	92	0.60%	(526)	(3.77%)	115.87	Increase in net profit due to hgher sales
	Total Sales	15,365		13,951			
Return on Capital Employed	Earning Before Interest and Tax	308	4.09%	(287)	(3.83%)	206.80	This is mainly due to decreased in profit and debts also increased during the year.
	Capital Employed	7,530		7,479			
Return on Investment	Income generated from Invested funds	NA	NA	NA	NA	NA	NA
	Average Invested funds in Treasury Investment	NA		NA			

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 32 : Disclosure as per section 186(4) of the Companies Act, 2013
₹ in lakhs

(i)	Name of party	As at March 31, 2025	As at March 31, 2024
	Advances and Loan given to subsidiaries		
	Indokem Bangladesh (Pvt.) Limited (Incorporated i.e. 30th April, 2023)	32	38
		32	38

The above loan and advances have been given for incorporating foreign subsidiary Company and meeting their business requirements.

(ii) The Company has made Investment to following party and the outstanding balances are as under:
₹ in lakhs

Name of party	As at March 31, 2025	As at March 31, 2024
Investment		
Refnol Overseas Limited	89	89
Indokem Bangladesh (Pvt.) Limited (Incorporated i.e. 30 th April, 2023)	6	6
	95	95

Note 33 : Other Disclosures

a) The Company holds all the title deeds of immovable property in its name except following properties.

₹ in lakhs

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value as on 31.03.25	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Buildings	Buildings - New Delhi	133.60	M /s Ramakem Limited	Amalgamated Company	01-10-1994	The Company became the owners of the premises by virtue of Scheme of Amalgamation of M/s. Manish Dyes Products Private Limited and M/s. Ramakem Limited, with the Company. However, pending completion of the relevant registration formalities, the immovable properties continue to be in the name of the erstwhile amalgamated Company.
Buildings	Buildings- GIDC Naroda	2,103.45	Refnol Resins and Chemicals Ltd.	Amalgamated Company	01.04.2021	The Company became the owners of the premises by virtue of Scheme of Amalgamation of Refnol Resins and Chemicals Ltd. with the Company. However, pending completion of the relevant registration formalities, the immovable property continue to be in the name of the erstwhile amalgamated Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- b) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c) The Company has following transactions with struck off companies.

Name of the Struck off Companies	Nature of transactions with struck off Company	No. of shares	Balance outstanding /Nominal share value	Relationship with the struck off Company, if any
ALMEIDA EQUITY FUND PVT. LTD.	Investments in securities	240	2,400.00	Equity shareholder
ARUNESH TRADING & INVESTMENTS (P) LTD.	Investments in securities	50	500.00	Equity shareholder
ASHWIN TRADING & INVESTMENTS (P) LTD.	Investments in securities	50	500.00	Equity shareholder
ADITI CAPITAL SERVICES P. LTD.	Investments in securities	50	500.00	Equity shareholder
CONSOLIDATED SERVICES & SEC. I. LTD.	Investments in securities	5650	56,500.00	Equity shareholder
DEEPAUL TRADING&INVESTMENTS (P) LTD.	Investments in securities	150	1,500.00	Equity shareholder
DELHI FINANCIERS PVT. LTD.	Investments in securities	150	1,500.00	Equity shareholder
G M DANDIDAR COMMERCIAL PVT. LTD.	Investments in securities	6500	65,000.00	Equity shareholder
INTACT LEASING & FINANCE LTD.	Investments in securities	500	5,000.00	Equity shareholder
M /S RAMHARI INVESTMENTS P. LTD.	Investments in securities	450	4,500.00	Equity shareholder
MANJAPRA SEC. & INVT. P. LTD.	Investments in securities	1650	16,500.00	Equity shareholder
NAVRATNA INVESTMENTS P. LTD.	Investments in securities	50	500.00	Equity shareholder
NAKUL TRADING & INVESTMENTS PVT. LTD.	Investments in securities	150	1,500.00	Equity shareholder
ORLON EXPORTS PVT. LTD.	Investments in securities	100	1,000.00	Equity shareholder
SILVER ARROW INVEST. PVT. LTD.	Investments in securities	100	1,000.00	Equity shareholder
SKIM INVESTMENTS AND LEASING P. LTD.	Investments in securities	50	500.00	Equity shareholder
SANTOSH SECURITIES LTD.	Investments in securities	50	500.00	Equity shareholder
VINSUM CONSULTANTS PVT. LTD.	Investments in securities	150	1,500.00	Equity shareholder
VMS CONSULTANTS PVT. LTD.	Investments in securities	80	800.00	Equity shareholder

- d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- e) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- f) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries
- g) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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,
- h) The Company does not have 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.)
- i) The Company is not declared as willful defaulter by any bank or financial institution or other lender.
- j) The Company does not have subsidiary in India. All the subsidiaries are incorporated outside India and therefore section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 34 : Quarterly Statements filed with Banks for Borrowings against Current Assets

The Company has sanctioned limit of borrowings from ICICI Bank Limited on security of current assets of ₹ 850.00 Lakhs. The Company has filed quarterly returns or statements with ICICI Bank which are in agreement with the books of account other than those as set out below:

Sr No.	Period	Amount as per Books	Amount reported in quarterly returns	Discrepancy	Reasons#
1	Jun-24	5045	5258	(214)	None
2	Sep-24	5256	5297	(41)	
3	Dec-24	5820	5572	248	
4	Mar-25	5901	5899	2	

Considered up to 5% of amount reported in quarterly returns

Note 35: Registration or Satisfaction of Charges with Registrar of Companies

Sr No.	Charge Holder	Charge Amount	Date of Satisfaction	Status of Charge	Delay (Months)	Reasons for Delay
1	Gujarat State Financial Corporation	16.65	1990*	OPEN	408*	Details required for filing of Satisfaction of Charge not available
2	State Bank of India	4.50	1990*	OPEN	408*	Details required for filing of Satisfaction of Charge not available
3	State Bank of India	4.50	1990*	OPEN	408*	Details required for filing of Satisfaction of Charge not available
4	CITI Bank	0.93	1992*	OPEN	384*	Details required for filing of Satisfaction of Charge not available
5	Canara Bank	10.00	1995*	OPEN	348*	Details required for filing of Satisfaction of Charge not available
6	Bank of Baroda	18.00	1995*	OPEN	348*	Details required for filing of Satisfaction of Charge not available

Note : * Date of Satisfaction of Loan not available.

Note 36 : Figures for previous year have been regrouped, wherever necessary.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

Rachit Sheth

Partner

Membership No.: 158289

Place: Mumbai

Date: May 9, 2025

For and on behalf of the Board

INDOKEM LIMITED

Mahendra K. Khatau

Chairman & Managing Director

DIN : 00062794

Rupal B. Parikh

Chief Financial Officer

Place: Mumbai

Date: May 9, 2025

Manish M. Khatau

Director

DIN : 02952828

Rajesh D. Pisal

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Indokem Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Indokem Limited ("the Company"), its subsidiary Company (the Company and its subsidiary 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 Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) 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 Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
1)	<p>Litigations, Provisions and contingent liabilities</p> <p>The Group has several litigations which also include matters under dispute which involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>Refer Note 22 to the Consolidated Financial Statements.</p>	<p>Our Audit procedures included the following:</p> <p>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations. We also performed the following audit procedures:</p> <ul style="list-style-type: none"> Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities; Discussed with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company; We also involved our internal tax experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.

Information other than the Consolidated Financial Statement and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for other information. The other information comprises the information included Board's Report including Annexures to that Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so;

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditor. For the other entities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion;

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

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

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

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

Other Matters

- I. We did not audit the financial statements and other financial information of 1 subsidiary included in the consolidated audited financial results, whose financial results reflects (before consolidated adjustments) total assets of ₹ 1,468.18 lakhs as on March 31, 2025, total revenues of ₹ 2,900.11 lakhs for the year ended March 31, 2025, total net Profit / (loss) after tax of ₹ 231.37 lakh for year ended March 31, 2025, total comprehensive income / (loss) of ₹ 231.37 lakh for the year ended March 31, 2025 respectively and net cash Inflow of ₹ 81.78 lakhs for the year ended on March 31, 2025 as considered in the consolidated audited financial results. These financial results have been audited by other auditor whose financial statements, other financial information and auditor's report have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amount and disclosures included in respect of these entities, is based solely on the report of such other auditors.
- II. The accompanying consolidated financial statements includes unaudited financial statements of two subsidiaries which have not been audited by us whose financial statements reflect total assets (before consolidated adjustments) of ₹ 307.60 lakhs as on March 31, 2025, total revenue of ₹ 18.89 lakh for the year ended March 31, 2025, total net loss after tax of ₹ 10.71 lakh for the year ended March 31, 2025, total comprehensive Loss of ₹ 10.71 lakh for the year ended March 31, 2025, and net cash outflow of ₹ 12.68 lakhs for the year ended on March 31, 2025 as considered in the consolidated financial results. These unaudited financial statements / financial information / financial results have been approved and furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements and other unaudited financial information.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters covered in paragraph I) and II) above with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Company, none of the directors of the Holding Companies 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- (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; and

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclosed the impact of pending litigations on financial position of the Group— Refer Note 22 to the Consolidated Financial Statements;
 - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India;
 - i. The Management has represented that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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;
 - ii. The Management has represented that, to the best of its knowledge and belief that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- iii. Based on such audit procedures that we have 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) contain any material mis-statement.
 - iv. There is no dividend declared or paid during the period by the holding Company and subsidiaries and hence provisions of section 123 of the Companies Act, 2013 are not applicable.
 - v. Based on our examination, which included test checks, that performed by us on the Holding Company, the Holding Company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Further, we report that the subsidiary Companies included in consolidation are foreign subsidiaries, to which this clause is not applicable and therefore no separate reporting has been done by us on this matter. Additionally, the audit trail has been preserved by the holding Company as per the statutory requirements for record retention, however the subsidiaries are incorporated outside India hence provision for preservation of books of account do not apply to subsidiaries.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, We report that the subsidiary Companies included in consolidation are foreign subsidiaries, to which reporting under CARO is not applicable, and therefore no separate reporting has been done by us on above matter.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.:101961W / W-100036

Sd / -

Rachit Sheth

Partner

Membership No. 158289

Place : Mumbai

Date : 9th May 2025

UDIN: 25158289BMHZUR2801

ANNEXURE “A” TO THE INDEPENDENT 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 Indokem Limited (“the Company”) and in respect of its subsidiaries wherein such audit of internal financial controls over financial reporting was carried out by us and have been appropriately dealt with by us in making this report as on March 31, 2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India are 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. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls over financial reporting of the Company, its subsidiary companies, 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 the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Control and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements of the Company were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph above, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company, its subsidiary Companies have, in all material respects, an internal financial controls with reference to financial statements of the Company 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 respective companies 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 **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.:101961W / W-100036

Sd / -

Rachit Sheth

Partner

Membership No. 158289

Place : Mumbai

Date : 9th May 2025

UDIN: 25158289BMHZUR2801

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

		₹ in lakhs	
	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
Property, plant and equipment	3(a)	6,385	6,518
Capital work-in-progress	3(b)	12	4
Goodwill		71	71
Intangible assets	4	4	3
Financial assets			
Investments	5(a)	1	1
Loans	5(b)	-	-*
Other financial assets	5(c)	60	55
Income tax assets (net)	6	19	25
Other non-current assets	7	79	55
Total Non-current Assets		6,631	6,732
Current Assets			
Inventories	8	2,909	2,444
Financial assets			
Trade receivables	5(d)	3,805	3,033
Cash and cash equivalents	5(e)	302	193
Bank balance other than cash and cash equivalents	5(f)	35	51
Loans and Advances	5(b)	-*	2
Other financial assets	5(c)	71	68
Other current assets	7	334	244
Total Current Assets		7,456	6,035
Total Assets		14,087	12,767
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9(a)	2,789	2,789
Other equity	9(b)	3,394	3,079
Minority Interest (Capital & Reserve)		1	(2)
Total Equity		6,184	5,866
LIABILITIES			
Non-current Liabilities			
Financial liabilities			
Borrowings	10(a)	1,192	1,279
Other financial liabilities	10(c)	276	269
Provisions	11	458	438
Total Non-current Liabilities		1,926	1,986
Current Liabilities			
Financial liabilities			
Borrowings	10(b)	1,020	960
Trade payables	10(d)		
(i) Total outstanding dues of Micro and Small Enterprises		22	126
(ii) Total outstanding dues of Creditors other than Micro and Small Enterprises		4,068	3,020
Other financial liabilities	10(c)	15	19
Provisions	11	274	307
Other current liabilities	12	578	483
Total Current Liabilities		5,977	4,915
Total Liabilities		7,903	6,901
Total Equity and Liabilities		14,087	12,767

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

See accompanying notes 1 to 32 forming part of the Ind AS Financial Statements

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

Rachit Sheth

Partner

Membership No.: 158289

For and on behalf of the Board

INDOKEM LIMITED

Mahendra K. Khatau

Director

DIN : 00062794

Rupal B. Parikh

Chief Financial Officer

Manish M. Khatau

Director

DIN : 02952828

Rajesh D. Pisal

Company Secretary

Place: Mumbai

Date: May 9, 2025

Place: Mumbai

Date: May 9, 2025

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025
₹ in lakhs

	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
CONTINUING OPERATIONS			
Income			
Revenue from operations	13	17,809	16,480
Other income	14	72	41
Total Income		17,881	16,521
Expenses			
Cost of materials consumed	15	11,963	10,953
Purchase of stock in trade		572	226
Changes in inventories of finished goods, work-in-process and Stock in trade	16	(343)	94
Employee benefits expenses	17	1,971	1,914
Finance cost	18	283	308
Depreciation / amortisation	3 & 4	225	251
Other expenses	19	2,881	3,394
Total Expenses		17,552	17,140
Profit / (loss) before tax		329	(619)
(Excess) / short Provision for tax		15	4
Current tax	20	-	-
Profit / (loss) after tax		314	(623)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit and loss account</i>			
Remeasurement of post employment benefit obligation		(14)	(32)
<i>Items that will be subsequently reclassified to profit and loss account</i>			
Exchange differences on translation of foreign operations		(2)	(1)
Total other comprehensive income / (loss)		(16)	(33)
Total comprehensive income / (loss) for the year		298	(656)
Net Profit / (loss) attributable to:			
Owners of the Company		317	(619)
Non - Controlling Interest		(3)	(4)
Profit / (loss) after tax			
Owners of the Company		(16)	(33)
Non - Controlling Interest		-	-
Total comprehensive income / (loss) net of tax			
Owners of the Company		301	(652)
Non - Controlling Interest		(3)	(4)
Earnings per equity share (Face value of ₹ 10 each) :			
Basic and diluted earnings per share (in ₹)	21	1.13	(2.23)

See accompanying note 1 to 32 forming part of Ind-AS Financial Statements.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

For and on behalf of the Board
INDOKEM LIMITED
Rachit Sheth

Partner

Membership No.: 158289

Mahendra K. Khatau

Director

DIN : 00062794

Manish M. Khatau

Director

DIN : 02952828

Rupal B. Parikh

Chief Financial Officer

Rajesh D. Pisal

Company Secretary

Place: Mumbai

Date: May 9, 2025

Place: Mumbai

Date: May 9, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025
A. Equity Share Capital

₹ in lakhs

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Forfeited Shares	Shares Pending Issuance	Balance as at March 31, 2025
2,789	-	2,789	-	-	-	2,789

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Forfeited Shares	Shares Pending Issuance	Balance as at March 31, 2024
2,789	-	2,789	-	-	-	2,789

B. Other Equity

₹ in lakhs

Particulars	Reserves and Surplus							Total Equity
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Statutory Reserve	Foreign Currency translation Reserve	Revaluation Reserves	
Balance as at April 1, 2024	1,219	453	648	(1,538)	21	266	2,011	3,079
Total Comprehensive Income for the year	-	-	-	298	-	-	-	298
Transferred during the year	-	-	-	21	-	18	(21)	18
Balance as at March 31, 2025	1,219	453	648	(1,219)	21	284	1,990	3,394

₹ in lakhs

Particulars	Reserves and Surplus							Total Equity
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Statutory Reserve	Foreign Currency translation Reserve	Revaluation Reserves	
Balance as at April 1, 2023	1,225	453	648	(904)	21	258	1,649	3,351
Re- measurement of net defined benefit liability / asset, net of tax effect	-	-	-	-	-	-	379	379
Share issuance expenses	(6)	-	-	-	-	-	-	(6)
Total Comprehensive Income for the year	-	-	-	(652)	-	7	-	(645)
Transferred during the year	-	-	-	(17)	-	1	17	1
Balance as at March 31, 2024	1,219	453	648	(1,538)	21	266	2,011	3,079

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

For and on behalf of the Board
INDOKEM LIMITED
Rachit Sheth

Partner

Membership No.: 158289

Mahendra K. Khatau

Director

DIN : 00062794

Rupal B. Parikh

Chief Financial Officer

Place: Mumbai

Date: May 9, 2025

Manish M. Khatau

Director

DIN : 02952828

Rajesh D. Pisal

Company Secretary

Place: Mumbai

Date: May 9, 2025

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025
₹ in lakhs

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOW FROM CONTINUING OPERATIONS		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before tax	329	(619)
Adjustments for :		
Depreciation	225	251
Finance costs	283	308
Interest income	(2)	(7)
Allowances for credit losses	(6)	19
Bad debts written off	43	71
Provision no longer required	(2)	(9)
Profit on sale of current and non-current investments (net)	(3)	(1)
Sundry balances written off / (written back)	(15)	(2)
Unrealised exchange rate difference (net)	18	7
Operating profit before working capital changes	869	18
Changes in working capital:		
(Increase) / decrease in inventories	(464)	(366)
(Increase) / decrease in trade receivables	(836)	(1)
(Increase) / decrease in loans and advances	2	(2)
(Increase) / decrease in other financial assets	(8)	(1)
(Increase) / decrease in other assets	(109)	(7)
Increase / (decrease) in trade payables	943	599
Increase / (decrease) in other financial liabilities	7	16
Increase / (decrease) in other liabilities	109	134
Increase / (decrease) in provision	(27)	35
Cash generated from operations	486	425
Income taxes refunded / (paid), net	15	(4)
Net cash (used in) / generated from operating activities	501	421
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment and capital advances	(100)	(150)
Sale of current investments	3	2
Redemption / (investments in fixed deposits)	17	(10)
Interest received	3	7
Net cash (used in) / generated from investing activities	(77)	(151)

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

₹ in lakhs

C. CASH FLOW FROM FINANCING ACTIVITIES

	Year ended March 31, 2025	Year ended March 31, 2024
Proceeds from loans taken from banks and financial institutions	169	799
Repayment of loans taken from banks and financial institutions	(279)	(722)
Unsecured loans taken from directors	120	83
Unsecured loans repaid to directors	(41)	(152)
Repayment of loans to Company	(12)	-
Loan taken from Company	14	-
Finance costs paid	(286)	(318)
Net cash (used in) / generated from financing activities	(315)	(310)
NET CASH (USED IN) / GENERATED FROM CONTINUING OPERATIONS	109	(40)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	109	(40)
Cash and cash equivalents at the beginning of the year	193	233
Cash and cash equivalents at the end of the year	302	193

Notes :

- The above cash flow statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind As-7) on statement of Cash Flow as notified under Companies (Accounts) Rule 2015.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

For and on behalf of the Board
INDOKEM LIMITED
Rachit Sheth

Partner

Membership No.: 158289

Mahendra K. Khatau

Director

DIN : 00062794

Manish M. Khatau

Director

DIN : 02952828

Rupal B. Parikh

Chief Financial Officer

Rajesh D. Pisal

Company Secretary

Place: Mumbai

Date: May 9, 2025

Place: Mumbai

Date: May 9, 2025

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 1 : Corporate Information

- (a) Indokem Limited (referred to as “the holding Company”) manufactures and deals in dyes, sizing chemicals and auxiliaries used in textile industry. It is also engaged in manufacturing and marketing of resins and chemicals. The Company also deals in electrical capacitors. It has its head office in Mahim, Mumbai and branch offices at Ahmedabad, Delhi and Coimbatore. Its manufacturing facilities are located at Dahisar Mori and Ambarnath near Mumbai, at GIDC Naroda in Ahmedabad and at Coimbatore. The warehousing facilities are located at Dahisar Mori, Ambarnath near Mumbai, Narol-Ahmedabad, GIDC - Naroda - Ahmedabad and Coimbatore. The Company is incorporated and domiciled in India and is listed on the Bombay Stock Exchange in India.

The Company and its subsidiary companies are referred to as the Group here under. The Consolidated Financials Statements for the year ended March 31, 2025 were approved for issue by the Board of Directors on May 9, 2025.

b) Basis of preparation and presentation:

The Financial Statement of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Indokem Limited (“the Company”), i.e. March 31, 2025.

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under section 133 of the Companies Act, 2013 (“the Act”), to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

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 the accounting policy hitherto in use.

Principles of Consolidation:

The consolidated financial statements of the Group have been prepared on the following basis:

1. The Financial Statements of the Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
2. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except where it is not practicable to do so.

Goodwill on Consolidation

The excess of cost of investment in the subsidiary, over group's share in the net assets at the date of acquisition of shares / stake in the subsidiary is recognised as Goodwill in the consolidated financial statements.

(c) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;

Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

Composition of consolidated financial statements

The consolidated financial statements are in accordance with Ind AS presentation. The consolidated financial statements comprise:

- Consolidated Balance Sheet
- Consolidated Statement of Profit and Loss
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flow
- Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 2.1 : Material Accounting Policies
a) Use of estimates:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known / materialised. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Critical estimates and judgements :

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

b) Property, plant and equipment ("PPE"):

"The initial cost of an item of PPE comprises its purchase price net of any trade discounts and rebates and includes import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any other directly attributable expenditure incurred in making the asset ready for its intended use, including interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

Material items such as spare parts, stand-by-equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16- property, plant and equipment.

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

The fair value of related to free hold and leasehold land is generally determined based on market evidence appraisals undertaken by professionally qualified Independent valuers.

c) Capital work in progress:

Capital work in progress is stated at cost, net of impairment losses, if any.

d) Depreciation:

The group provides depreciation as per the useful life of PPE as per Schedule II to the Companies Act, 2013. Depreciation is provided on Straight Line Method on all PPE including revaluation assets at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013, except in the case of following assets:

Nature of asset	Useful life
Leasehold Land and Building	Lease term
Leasehold Land (Naroda, Ahmedabad)	99 Years
Plant and Equipment	3 to 20 Years
Furniture and Fixture	5 to 10 Years
Office Equipment	5 Years
Vehicle	3 to 6 Years
Temporary shed	Remaining lease term

Assets costing less than ₹ 5,000 / - are fully depreciated in the year of capitalisation. Depreciation on additions / deductions to PPE made during the year is provided on pro-rata basis from / upto the date of such additions / deductions, as the case may be.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
e) Intangible assets:

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The group determines the amortisation period as the period over which the future economic benefits will flow to the group after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Nature of asset	Useful life
Computer software	3 years

f) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g) Assets held for sale:

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for sale in its present condition subject only to terms that are usual and customary for sale of such assets. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment classified as held for sale are not depreciated.

h) Leases:

The group's lease asset classes primarily consist of leases for Land and Buildings. The group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

i) Impairment of non-financial asset:

Non-financial assets other than inventories and non-current assets held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. The recoverable amount is higher of the asset's or cash generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

j) Inventories:

- 1) Inventories are valued as follows:

Raw materials and packing materials are valued at lower of cost and net realisable value (NRV). Cost is determined on FIFO basis. The cost of inventory comprises of its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- 2) Work-in-process is valued at lower of cost and net realisable value. Cost of finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of production. Cost of inventories is computed on FIFO basis.

- 3) Stock in trade is valued at cost or net realisable value whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and / or estimated costs necessary to make sale.

k) Foreign currency transactions:

The transactions in currencies other than the group's functional currency are translated at the rates of exchange prevailing at the dates of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the year end exchange rates. Foreign exchange gains and losses arising from such translation are recognised in the statement of profit and loss.

Foreign exchange differences regarded as adjustments to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains / losses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate as on the date of initial recognition.

l) Revenue recognition:

The group derives revenues primarily from sale of manufactured goods, traded goods, services.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the group expects to receive in exchange for those products or services.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

As a consequence, it does not adjust any of the transaction prices for the time value of money.

The group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the group; or
2. The group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The group's performance does not create an asset with an alternative use to the group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products are recognised at a time on which the performance obligation is satisfied.

Interest income is recognised on time proportion basis taking into account the amount outstanding on effective interest rate.

Recoveries from group Companies and third parties include recoveries towards common facilities / resources and other support provided to such parties which is recognised as per terms of agreement and in the year in which such services are rendered.

m) Income taxes:

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

Deferred income tax is recognised on differences between the carrying amount of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and is accounted for using the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

liability method. Deferred tax liabilities are generally recognised for all deductible temporary differences and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and deferred tax liabilities are measured at applicable tax rates and offset and presented as net.

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

n) Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on the presumption that the transaction to sell the assets or transfer the liability takes place either:

- 1) In the principal market for the asset or liability; or
- 2) In the absence of a principal market, in the most advantageous market which can be accessed by the group for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ii) Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- iii) Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o) Financial assets:
Initial recognition and measurement:

Financial assets are recognised and measured in accordance with Ind AS 109 on financial instruments. Accordingly, the group recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity.

Financial assets are initially recognised at fair value plus transaction costs directly attributable to its acquisition. The transaction costs incurred for the purchase of financial assets held at fair value through profit or loss are expensed in the statement of profit and loss immediately.

Subsequent measurement:

Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVPL). The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

1) Debt instruments:

There are three measurement categories into which the group classifies its debt instruments:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
At amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

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

Fair value through profit or loss (FVPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in the statement of profit and loss and presented within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

2) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVPL. For all other equity instruments, the group decides to classify the same either as at FVOCI or FVPL. The group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the profit or loss.

Derecognition:

A Financial asset is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - 1) The group has transferred substantially all the risks and rewards of the asset, or
 - 2) The group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVPL) are recognised in the statement of profit and loss.

Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

Impairment of Financial Asset:

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- (i) Financial assets that are debt instruments and are measured at amortised cost e.g. loans, debt securities, deposits and bank balance.
- (ii) For trade receivables, the group uses a simplified approach as permitted under Ind As 109
- (iii) Financial assets measured at fair value through other comprehensive income.
- (iv) In case of other assets (listed as (i) and (ii) above), the group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

p) Financial Liabilities:
Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to profit or loss. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortised cost:

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs. The borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains / (losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

q) Employee benefits:
1) Short term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave and performance incentives.

2) Long term employee benefits:

The group provides post-employment benefits under defined contribution and / or defined benefit plans:

(i) Defined benefit plan:

For defined benefit plan, the cost of providing benefits is determined using projected unit credit method with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains or losses are recognised in full in other comprehensive income for the period in which they occur. Past service costs both vested and unvested are recognised as an expense (a) when the plan amendment or curtailment occurs ; (b) when the entity recognises related restructuring cost or termination benefits, whichever is earlier. The retirement benefits obligation recognised in the Balance Sheet represents the present value of defined benefit obligations reduced by the fair value of plan assets.

(ii) Defined contribution plans:

Contribution to defined contribution plans are recognized as an expense when the employees have rendered services entitling them to such benefits.

r) Provisions, contingent liabilities and contingent assets:

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

Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate. If the effect of the time value of money is material, provisions are discounted using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Contingent assets are not recognized in financial statements but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

s) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. These do not include bank balances earmarked / restricted for specific purposes.

t) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

u) Earnings per share:
1) Basic earnings per share:

Basic earnings per share is calculated by dividing the profit / (loss) after tax attributable to owners of the group by the weighted average number of equity shares outstanding during the financial year.

2) Diluted earnings per share:

Diluted earnings per share is calculated by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

v) Business combinations and Goodwill

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are recognised in profit and loss as incurred.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the Company's financial statements.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment is specified in the court approved scheme.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

w) Ind AS 108: Segment Reporting:

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

Based on "Management Approach" as defined in Ind AS 108 - Operating segments, the operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the group is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
2.2 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Note 3(a) : Property, plant and equipment F.Y.2024-25

₹ in lakhs

Assets	Free-hold land	Lease-hold land	Build-ings	Plant & machin-ery	Electrical fittings	Fur-niture and fix-tures	Vehicles	Office equip-ment	Total
GROSS BLOCK									
As at April 1, 2024	474	4,420	1,101	1,257	27	90	591	174	8,134
Additions	-	-	3	56	-	1	13	18	91
Deletions	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	7	-	.*	3	1	11
As at March 31, 2025	474	4,420	1,104	1,320	27	91	607	193	8,236
DEPRECIATION									
As at April 1, 2024	-	232	266	555	17	59	366	121	1,616
For the Year	-	46	37	76	1	5	41	18	224
Deductions / Adjustments	-	-	-	7	-	.*	3	1	11
As at March 31, 2025	-	278	303	638	18	64	410	140	1,851
NET BLOCK									
As at March 31, 2025	474	4,142	801	682	9	27	197	53	6,385
As at March 31, 2024	474	4,188	835	702	10	31	225	53	6,518

Note: *.Amount is below the rounding off norms adopted by the Group.

Property, plant and equipment F.Y.2023-24

₹ in lakhs

Assets	Free-hold land	Lease-hold land	Build-ings	Plant & machin-ery	Electrical fittings	Fur-niture and fix-tures	Vehicles	Office equip-ment	Total
GROSS BLOCK									
As at April 1, 2023	474	3,820	1,010	1,194	27	87	603	142	7,357
Additions	-	600	91	59	-	3	-	31	784
Deletions	-	-	-	-	-	-	-	.*	.*
Adjustments	-	-	-	4	-	.*	(12)	1	(7)
As at March 31, 2024	474	4,420	1,101	1,257	27	90	591	174	8,134
DEPRECIATION									
As at April 1, 2023	-	174	228	482	16	53	320	102	1,375
For the Year	-	58	38	70	1	6	57	18	248
Deductions / Adjustments	-	-	-	-	-	-	-	.*	.*
Adjustments	-	-	-	3	-	.*	(11)	1	(7)
As at March 31, 2024	-	232	266	555	17	59	366	121	1,616

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Property, plant and equipment F.Y.2023-24 (Contd.)

Assets	Free-hold land	Lease-hold land	Buildings	Plant & machinery	Electrical fittings	Furniture and fixtures	Vehicles	Office equipment	Total
NET BLOCK									
As at March 31, 2024	474	4,188	835	702	10	31	225	53	6,518
As at March 31, 2023	474	3,646	782	712	11	34	283	40	5,982

Note: *Amount is below the rounding off norms adopted by the Group.

Notes: a) Vehicles having a written down value of ₹153.87 Lakhs as at March 31, 2025 (₹ 180.61 Lakhs As at March 31, 2024) have been secured against loan from Banks / Financial Institutions.

Note 3 (b) : Capital work in progress

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
As at beginning of the year	4	52
For the Year	9	4
Deductions / Adjustments	1	53
Total Capital work in progress	12	4

Capital work in progress (CWIP) Ageing schedule

₹ in lakhs

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
As at March 31, 2025					
Projects in progress	8	4	-	-	12
As at March 31, 2024					
Projects in progress	4	-	-	-	4

Note: There are no projects whose completion is overdue or has exceeded its cost.

Note 4 : Intangible assets F.Y. 2024-25

₹ in lakhs

Assets	Goodwill	Computer software	Total
GROSS BLOCK			
As at April 1, 2024	71	43	114
Additions	-	2	2
Deletions	-	-	-
As at March 31, 2025	71	45	116
DEPRECIATION			
As at April 1, 2024	-	40	40
For the Year	-	1	1
Deductions / Adjustments	-	-	-
As at March 31, 2025	-	41	41
NET BLOCK			
As at March 31, 2025	71	4	75
As at March 31, 2024	71	3	73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Intangible assets F.Y. 2023-24
₹ in lakhs

Assets	Goodwill	Computer software	Total
GROSS BLOCK			
As at April 1, 2023	71	41	112
Additions	-	2	2
Deletions	-	-	-
As at March 31, 2024	71	43	114
DEPRECIATION			
As at April 1, 2023	-	37	37
For the Year	-	3	3
Deductions / Adjustments	-	-	-
As at March 31, 2024	-	40	40
NET BLOCK			
As at March 31, 2024	71	3	73
As at March 31, 2023	71	4	75

Note 5 (a) : Investments
₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(a) Investments carried at fair value through OCI	-	-	-	-
Other investments, unquoted				
2,00,000 redeemable debentures of ₹ 100 each of Priyamvada Holdings Limited (As at March 31, 2025 - 2,00,000. As at March 31, 2024 - 2,00,000).	1	1	-	-
50,000 optionally convertible debentures of ₹ 100 each of Khatau Holding and Trading Company Private Limited (As at March 31, 2025 - 50,000. As at March 31, 2024 - 50,000)	-*	-*	-	-
Total Investments	1	1	-	-

Note: *Amount is below the rounding off norms adopted by the Group.

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Aggregate amount of unquoted investments	1	1	-	-
Aggregate amount of quoted investment	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 5 (b). Loans and advances

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Loans to employees	-	-*	-*	2
Total Loans	-	-*	-*	2

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

Note 5 (c) : Other financial assets

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits	49	46	57	53
Bank Deposits with maturity more than 12 months	11	9	-	-
Other receivables	-	-	-*	-*
Export Incentives receivable	-	-	14	15
Total Other financial assets	60	55	71	68

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

Note 5 (d) : Trade and other receivables

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivable considered good - Secured	113	83
Trade receivable considered good - Unsecured	3,692	2,950
Trade receivable which have significant increase in credit risk	106	48
Less : Allowances for credit losses	(106)	(48)
Total Trade and other receivables	3,805	3,033

Trade receivables ageing schedule as at March 31, 2025

₹ in lakhs

Particulars	Not due	Outstanding for following period from due date of payment as on March 31, 2025					
		Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at March 31 2025							
Undisputed Trade receivable - Considered Good	2,049	1,464	61	151	31	49	3,805
Undisputed Trade receivable - which have significant increase in credit risk	-	9	57	12	3	25	106
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Trade Receivable Ageing (Contd.)

Particulars	Not due	Outstanding for following period from due date of payment as on March 31, 2025					
		Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Total	2,049	1,473	118	162	35	74	3,911
Less: Expected Credit Loss (ECL)		9	57	12	3	25	106
Total Trade receivable	2,049	1,464	61	151	31	49	3,805

Trade receivables ageing schedule as at March 31, 2024

₹ in lakhs

Particulars	Not due	Outstanding for following period from due date of payment as on March 31, 2024					
		Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable - Considered Good	1,330	1,358	244	61	20	19	3,032
Undisputed Trade receivable - which have significant increase in credit risk	-	7	9	3	3	26	48
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Total	1,330	1,365	253	64	23	45	3,081
Less: Expected Credit Loss (ECL)	-	7	9	3	3	26	48
Total Trade receivable	1,330	1,358	244	61	20	19	3,033

Note 5 (e) : Cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balances with banks:		
in current accounts	261	179
in Exchange Earners' Foreign Currency (EEFC) Account	1	1
(b) Cash in hand	35	13
(c) Fixed Deposits having maturity less than 90 days	5	-
Total Cash and cash equivalents	302	193

Note 5 (f) : Bank balance other than cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposits with maturity less than 12 months	33	49
Unpaid Dividend A / c	2	2
Other bank balances	-*	-*
Total Bank balance other than cash & cash equivalents	35	51

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 6 : Income tax assets

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Income tax assets (Net of advances)	19	25	-*	-
Total Income tax assets (net)	19	25	-*	-

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

Note 7 : Other assets

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Considered good				
Indirect taxes recoverable	49	49	222	39
Advance for capital expenditure	-	-	-	1
Prepayments	7	6	36	70
Advances to suppliers	-	-	64	24
Advances to related parties	-*	-	-	-
Advances to others	23	-	-	99
Advances to employees	-	-	12	11
Total Other assets	79	55	334	244

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

Note 8 : Inventories

₹ in lakhs

Particulars	As at March 31, 2025	As at April 1, 20234
At lower of cost or net realisable value		
(a) Raw materials and packing materials		
Raw materials	1,971	1,871
Goods-in-transit	8	-
Packing materials	114	101
(b) Work-in-process	1	-*
(c) Finished goods		
Finished goods	522	433
Goods-in-transit	7	14
(d) Stock in trade	286	25
Total Inventories	2,909	2,444

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 9. Share capital and other equity
Note 9 (a) : Share capital
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
Equity shares of ₹ 10 / - each (As at March 31, 2025 - 2,83,25,600, As at March 31, 2024 - 2,83,25,600)	2,833	2,833
Preference shares of ₹ 10 / - each (As at March 31, 2025 - 21,00,000, As at March 31, 2024 - 21,00,000,)	210	210
Issued:		
Equity shares of ₹ 10 / - each (As at March 31, 2025 - 2,78,88,255, As at March 31, 2024 - 2,78,88,255)	2,789	2,789
Subscribed Equity shares of ₹ 10 / - each (As at March 31, 2025 - 2,78,88,255, As at March 31, 2024 - 2,78,88,255)	2,789	2,789
	2,789	2,789

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of reporting period

Equity shares Issued and Subscribed

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of shares	Amount ₹ in lakhs	No of shares	Amount ₹ in lakhs
At the beginning of year	2,78,88,255	2,789	2,43,25,600	2,433
Changes on account of amalgamation	-	-	35,62,655	356
Increase during the year	-	-	-	-
Cancelled during the year	-	-	-	-
At the end of reporting period	2,78,88,255	2,789	2,78,88,255	2,789

(ii) Rights, preference and restrictions attached to shares:

Equity shares:

The Company has only one class of equity shares having par value of ₹10 /- per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares:

The 8% non- cumulative, redeemable preference shares amounting to ₹2.07 lakhs were allotted on February 11, 2016. The terms of redemption have been further extended to February 10, 2030. and the Company is expecting a further extension with the necessary approval.

(iii) The details of shareholders holding more than 5% of shares of the Company :

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	%	Number	%
Equity shares:				
Vindhyapriya Holdings Private Limited	55,09,421	19.76%	55,09,421	19.76%
Mahendra K. Khatau	31,14,967	11.17%	31,14,967	11.17%
Priyanilgiri Holdings Private Limited	48,96,929	17.56%	48,96,929	17.56%
MKK Holdings Private Limited	37,77,877	13.55%	37,77,877	13.55%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Promoter's Shareholding

SN	Promoter Name	As at March 31, 2025			As at March 31, 2024		
		No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
(i)	Vindhyapriya Holdings Private Limited	55,09,421	19.76	-	55,09,421	19.76	(0.03)
(ii)	Priyanilgiri Holdings Private Limited	48,96,929	17.56	-	48,96,929	17.56	-
(iii)	MKK Holdings Private Limited	37,77,877	13.55	-	37,77,877	13.55	-
(iv)	Mahendra Kishore Khatau	31,14,967	11.17	-	31,14,967	11.17	(0.9)
(v)	Khatau Holdings And Trading Company Private Limited	8,47,705	3.04	-	8,47,705	3.04	-
(vi)	Emerald Capital Services Private Limited	3,88,920	1.39	-	3,88,920	1.39	-
(vii)	Khatau Leasing And Finance Company Limited	2,59,425	0.93	-	2,59,425	0.93	-
(viii)	Leelabai Kishore Khatau	80,883	0.29	-	80,883	0.29	-
(ix)	Asha Marine Products Private Limited	52,700	0.19	-	52,700	0.19	-
(x)	Asha Mahendra Khatau	53,046	0.19	-	53,046	0.19	(0.17)
(xi)	Anil Kishore Khatau	42,738	0.15	-	42,738	0.15	(0.01)
(xii)	Priya Mahendra Khatau	47,015	0.17	-	47,015	0.17	(0.21)
(xiii)	Manish Mahendra Khatau	45,453	0.16	-	45,453	0.16	(0.28)
(xiv)	Prism Plantations Private Limited	21,890	0.08	-	21,890	0.08	(0.06)
(xv)	Neomy Anil Khatau	12,500	0.04	-	12,500	0.04	-
(xvi)	Ilesha Anil Khatau	5,250	0.02	-	5,250	0.02	-
(xvii)	Shreya S. Singhanian	5,000	0.02	-	5,000	0.02	-

Note 9 (b) : Other equity
₹ in lakhs

Particulars	As at March 31, 2025	As at April 1, 2024
Securities premium	1,219	1,219
Capital reserve	453	453
General reserve	648	648
Other reserves	21	21
Retained earnings	(1,219)	(1,538)
Revaluation reserve	1,990	2,011
Foreign currency translation reserve	284	266
Total Reserves and surplus	3,394	3,079

Nature and purpose of other reserves:
Securities premium

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Capital reserve

Capital reserve includes amounts realised on forfeiture of shares and reserves acquired on previous amalgamations.

General reserve

General reserve consists of reserve created on account of the difference between the fair valuation of assets and liabilities acquired by Company vis-a-vis the share capital it issued on amalgamation with its subsidiary companies vide Amalgamation Scheme approved by the Honorable High Court of Bombay.

Other reserves

This arises due to consolidation of financials with step down subsidiary named TEX CARE MIDDLE EAST LLC (TCME), UAE.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation Currency (i.e. INR) are recognised in the other comprehensive income and accumulated in foreign currency translation reserve.

Note 10(a) : Long term borrowings

₹ in lakhs

Particulars	Non-current	
	As at March 31, 2025	As at March 31, 2024
Secured		
(a) Rupee term loans / vehicle loans		
(i) From banks (Refer note (i) below)	6	26
(ii) From financial institutions (Refer note (i) below)	46	69
(b) Loans repayable on demand		
(i) From banks - (Refer note (i) below)	533	570
Total Secured loans [A]	585	665
Unsecured		
(a) 20,70,975 8% Non-cumulative redeemable preference shares of ₹ 10/- each (Refer note (ii) below)	207	207
(b) Loans from Bank (Refer note (i) below)	-	17
(c) Loans from financial institutions (Refer note (i) and (iii) below)	400	390
Total Unsecured loans [B]	607	614
Total Borrowings [A+B]	1,192	1,279

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 10(b) : Short term borrowings
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
a) Current maturities of long term borrowings(Refer note 10(a))		
(i) From banks (Refer note (i) below)	119	103
(ii) From financial institutions	23	22
b) From bank working capital	559	567
Unsecured		
(a) From financial institutions	15	39
(b) Loan from Banks	17	25
(c) Loan from related parties ((Refer note (iv) below)	287	204
Total Short term borrowings	1,020	960

i) Repayment terms and securities of secured loans:
₹ in lakhs

Nature of security	Terms of repayment	Month in which last installment is due	Prevailing Interest rate per annum	Balance as at March 31, 2025	Balance as at March 31, 2024
Secured and unsecured rupee term loans / vehicle loans from banks / financial institution / working capital					
Secured against hypothecation of specific vehicle	Monthly instalments	August 05,2025	10.42%	2	6
Secured against hypothecation of specific vehicle	Monthly instalments	August 05,2025	10.41%	2	6
Secured against hypothecation of specific vehicle	Monthly instalments	January 05,2026	8.64%	3	7
Secured against hypothecation of specific vehicle	Monthly instalments	September 20, 2026	6.89%	8	13
Secured against hypothecation of specific vehicle	Monthly instalments	September 2, 2026	7.40%	10	16
Secured against hypothecation of specific vehicle	Monthly instalments	December 04, 2027	8.22%	69	90
Loan from NBFC Unsecured	Monthly instalments	October 5, 2025	9 to 16%	415	429
Loan from Bank Unsecured	Monthly instalments	November 3, 2025	15% to 17%	17	42
Secured against property - (Building - Khatau house, first and exclusive charge on entire current and movable fixed asset and Dropline overdraft facility of ₹ 800 lakhs were sanctioned in the month of March, 2022. Validity of facility is for 120 months leads reduction in limit by ₹6.67 lakhs every month.	Monthly reducing reset plan		11.40 to 11.96%	633	650
Working Capital from ICICI Bank, Secured by a first charge over the entire fixed and current assets and personally guaranteed by two Promoter Directors of the Company.	Repayable on Demand	Repayable on Demand	6.1% to 11%	559	567
				1,718	1,827

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(ii) Unsecured preference shares

The 8% non-cumulative, redeemable preference shares amounting to ₹2,07 lakhs were allotted on February 11, 2016. The terms of redemption have been further extended to February 10, 2030.

(iii) Unsecured loans from financial institutions

Loans from financial institutions are secured against pledging of investments held by promoters in personal capacity. It carries a rate of interest ranging from 9 % to 16 % p.a.

(iv) Unsecured loans from related parties

Unsecured loans from related parties do not have any specific repayment schedule. Hence it has been classified under Short Term Borrowings. It carries a rate of interest 12% p.a.

Note 10(c) : Other financial liabilities

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits from others	276	269	4	4
Interest accrued but not due on loans	-	-	5	6
Advance from related party	-	-	-*	-*
Unclaimed dividend	-	-	2	2
Provision for Service Tax receivable	-	-	2	2
Interest accrued and due on borrowings	-	-	2	5
Total Other financial liabilities	276	269	15	19

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

Note 10 (d) : Trade payables

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables:		
- Dues to micro and small enterprises (Refer Note below)	22	126
- Other than micro and small enterprises	4,068	3,020
Total Trade payables	4,090	3,146

Trade Payable Ageing summary

₹ in lakhs

Particulars	Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at March 31, 2025						
MSME	17	5	-	-	-	22
Others	2,151	1,854	35	4	24	4,068
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2024						
MSME	-	126	-	-	-	126
Others	1,368	1,625	5	2	18	3,020
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 11 : Provisions

₹ in lakhs

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Gratuity	385	365	236	283
Compensated absences	66	65	38	24
Superannuation scheme	7	8	-	-
Total Provisions	458	438	274	307

Note 12 : Other current liabilities

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory and other related dues	66	63
Employee benefit payable	158	184
Payable to others	150	45
Advance from customers	204	191
Total Other current liabilities	578	483

Note 13 : Revenue from operations

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products		
Sales		
Finished goods	17,303	16,050
Sales of services	-	-
Stock in trade	438	374
Total Sales	17,741	16,424
Other operating revenues		
Freight, octroi, insurance and handling charges recovered	4	2
Export incentives	64	54
Total Revenue from operations	17,809	16,480

Note 14 : Other income

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
- on fixed deposits with banks	4	3
- on others	(2)	4
Recovery of office expenses	6	4
Gain on foreign exchange transactions (net)	36	10
Service charges earned	5	1
Provisions no longer required written back	2	9
Miscellaneous Income- others	3	6
Profit / (Loss) on sale of investment	3	2
Sundry balances written back (net)	15	2
Total Other income	72	41

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 15 : Cost of materials consumed

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock of raw materials	1,871	1,391
Add : Purchases	11,315	10,739
Less : Closing stock of raw materials	1,979	1,871
Cost of raw materials consumed	11,207	10,259
Opening stock of packing materials	101	112
Add : Purchases	769	682
Less : Closing stock of packing materials	114	100
Cost of packing materials consumed	756	694
Total Cost of materials consumed	11,963	10,953

Note 16 : Changes in inventories of finished goods, work-in-process and stock in trade

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock:		
Finished goods	447	526
Stock in trade	26	25
Work-in-process	~*	17
Less: Closing Stock:		
Finished goods	529	448
Stock in trade	286	26
Work-in-process	1	~*
(Increase) / decrease in inventories	(343)	94

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

Note 17 : Employee benefit expenses

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	1,850	1,798
Contribution to staff provident and other funds (Refer Note No. 24)	36	41
Staff welfare expenses	43	43
Gratuity expenses	42	32
Total Employee benefit expenses	1,971	1,914

Note 18 : Finance cost

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on		
- Borrowings	229	252
- Others	54	56
Total Finance costs	283	308

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 19 : Other expenses
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent	158	160
Power and fuel	176	207
Water charges	4	5
Repairs and maintenance		
Buildings	37	29
Plant & machinery	47	49
Equipments	22	29
Others	79	84
Security charges	36	25
Effluent treatment plant expenses	10	8
Laboratory and testing expenses	70	43
Rates and taxes	7	6
Doubtful debts written off (net)	43	71
Provision / Reversal of Expected Credit Loss	(6)	19
Freight, forwarding and repacking	808	728
Legal and professional fees	252	311
Travelling and conveyance	303	340
Auditor's remuneration (Refer Note below)	17	22
Communication expense	14	24
Printing, postage and courier	36	41
Insurance	34	29
Commission on sales	232	212
Advertisement and sales promotion	338	488
Directors sitting fees	5	8
Penalties and fines	-*	-*
Sundry balances written off	9	1
Amalgamation Expenses	11	30
Other establishment expenses	139	426
Total Other expenses	2,881	3,394

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

Note: Auditor's remuneration comprises (net of goods and service tax)
₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As an auditor including limited review	15	14
Tax audit	1	1
For Others	1	7
Total Auditor's remuneration	17	22

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 20 : Income taxes

Income tax expenses recognised in the statement of profit and loss comprises of:

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current income taxes	-	-
Deferred tax	-	-
Effective Income tax rate (%)*	Nil	Nil

* Note: Due to the carried forward business and unabsorbed depreciation losses of past years, the taxable profit of the Company shall be set off against such losses. Hence, the effective tax rate is Nil.

Note 21 : Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (loss) after tax (₹ in lakhs)	314	(623)
Weighted average equity shares for the purpose of calculating		
Basic earnings per share (nos.)	2,78,88,255	2,78,88,255
Diluted earnings per share (nos.)	2,78,88,255	2,78,88,255
Basic earnings per share		
From continuing operations attributable to owners (₹)	1.14	(2.23)
Total basic earnings per share attributable to owners (₹)	1.14	(2.23)
Diluted earnings per share		
Total basic earnings per share attributable to owners (₹)	1.14	(2.23)

Note 22 : Contingent liabilities (to the extent not provided for)

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Disputed income tax demand in appeal	123	125
Claims against the group not acknowledged as debts	78	78
Disputed provident fund damages in appeal	93	77
Disputed Employees' State Insurance Corporation fund damages in appeal	-	7
Custom duty in the event of non-fulfilment of export obligations in respect of advance licenses availed	29	29
Goods and service tax demand in appeal	1,567	1,567
Immigration Guarantee with Ministry of labour	12	12
Total	1,902	1,895

Note 23 : Financial instruments
(i) Capital management

For the purpose of the group's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to maximise the shareholder value. The group's capital management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholders' value. The group is monitoring capital using debt equity ratio as its base, which is debt to equity. The group manages its capital to ensure that the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the group consists of debt which includes the borrowings, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(i) Capital management (Contd.)
₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Debt (including borrowings from related and unrelated parties)	2,212	2,239
Less: Cash and cash equivalents including short term deposits	302	244
Net debt (A)	1,910	1,995
Total equity (B)	6,184	5,866
Net debt to equity ratio (A / B)	0.31	0.34

(ii) Categories of financial instruments

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

₹ in lakhs

Particulars	Amortized cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets :					
Cash and cash equivalents	302	-	-	302	302
Bank balance other than cash and cash equivalents	35	-	-	35	35
Investments	1	-	-	1	1
Trade receivables	3,805	-	-	3,805	3,805
Loans	-*	-	-	-*	-*
Other financial assets	131	-	-	131	131
Total	4,274	-	-	4,274	4,274
Financial liabilities:					
Borrowings	2,212	-	-	2,212	2,212
Trade payables	4,090	-	-	4,090	4,090
Other financial liabilities	291	-	-	291	291
Total	6,593	-	-	6,593	6,593

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

Categories of financial instruments

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

₹ in lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets :					
Cash and cash equivalents	193	-	-	193	193
Bank balance other than cash and cash equivalents	51	-	-	51	51
Investments	1	-	-	1	1
Trade receivables	3,033	-	-	3,033	3,033
Loans	2	-	-	2	2
Other financial assets	123	-	-	123	123
Total	3,403	-	-	3,403	3,403

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
ii Categories of financial instruments (Contd.)
The carrying value of financial instruments by categories as of March 31, 2024 is as follows: (Contd.)
₹ in lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Financial liabilities:					
Borrowings	2,239	-	-	2,239	2,239
Trade payables	3,147	-	-	3,147	3,147
Other financial liabilities	288	-	-	288	288
Total	5,674	-	-	5,674	5,674

Fair Value Hierarchy :

The fair value hierarchy is based on the inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices and mutual funds are measured using the closing net asset value (NAV)

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

Level 3 – if one or more of the significant inputs is based on observable market data, the instrument is included in Level 3.

The fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2025 is as follows :

₹ in lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial assets :				
At fair value through profit and loss	-	-	-	-
Investment in optionally convertible debentures	-	-	1	1
Total	-	-	1	1

The fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2024 is as follows :

₹ in lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial assets :				
At fair value through profit and loss	-	-	-	-
Investment in optionally convertible debentures	-	-	1	1
Total	-	-	1	1

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, other bank balances, trade and other receivables, trade and other payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

The fair value of group's interest bearing borrowings are determined using amortised cost basis using a discount rate that reflects issuer's borrowing rate as at the end of reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Financial risk management objectives:

The group's activities exposes it to a variety of financial risk viz. market risks, credit risks and liquidity risks. In order to manage the aforementioned risks, the group has a risk management policy and a program that performs close monitoring of and responding to each risk factors.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates and other market changes.

Foreign currency risk:

Foreign currency risk mainly arises from transactions undertaken by an operating unit in currencies other than its functional currency. The carrying amount of group's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows :

Particulars	USD in lakhs	₹ in lakhs
As at March 31, 2025		
Financial assets	14	1,206
Financial liabilities	3	267

5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency of the group would result in decrease / increase in the group's profit before tax by approximately ₹46.95 lakhs (net) for the year ended March 31, 2025.

Particulars	USD in lakhs	₹ in lakhs
As at March 31, 2024		
Financial assets	13	1,119
Financial liabilities	5	407

5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency of the group would result in decrease / increase in the group's profit before tax by approximately ₹35.61 lakhs (net) for the year ended March 31, 2024.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group does not have significant floating interest rate borrowings during the year ended March 31, 2025 and March 31, 2024. Hence, the group is not exposed to significant interest rate risk as at the respective reporting dates.

Credit risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the group through continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain.

Liquidity risk:

The responsibility for liquidity risk management rests with the Board of Directors, which has an appropriate liquidity risk management framework for the management of the group's short, medium and longterm funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The table below provides details regarding contractual maturities of significant financial liabilities as at March 31, 2025

₹ in lakhs

Particulars	Within one year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	1,020	1,192	-	2,212
Trade and other payables	4,090	-	-	4,090
Other financial liabilities	15	276	-	291
Total Financial liabilities	5,125	1,468	-	6,593

The table below provides details regarding contractual maturities of significant financial liabilities as at March 31, 2024

₹ in lakhs

Particulars	Within one year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	960	1,279	-	2,239
Trade and other payables	3,147	-	-	3,147
Other financial liabilities	19	269	-	288
Total Financial liabilities	4,126	1,548	-	5,674

Note 24 : Disclosure as required under Ind AS-19 - Employee Benefits
I. Defined Contribution Plans:

The group has recognised the following amounts in the Income Statement during the year under "Contribution to staff provident and other funds." (Refer Note No. 17)

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to Provident Fund	35	39
Employer's contribution to Employee State Insurance	1	2
Total	36	41

II. Defined benefit plans
A) Gratuity

The Gratuity plan is governed by the Payment of Gratuity Act, 1972 and not funded. Under the plan, qualifying employees are entitled to Gratuity depending upon the number of years of service rendered by them subject to minimum specified number of years of service and the salary at time of retirement / resignation.

a) Movements in present value of defined benefit obligation (DBO)

₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Obligations as at beginning of the year	305	285
Current service cost	23	21
Interest cost	19	10
Past service cost	-	-
Benefits paid	(33)	(42)
Actuarial (gain) / loss on obligations	14	31
Present value of defined benefit obligation as at end of the year	328	305

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
b) Amount recognised in the Balance Sheet
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Present value of defined benefit obligation as at end of the year	328	305
Net Liability recognised in the Balance Sheet	328	305

c) Amounts recognised in the statement of Profit and Loss
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Current service cost	23	21
Interest cost	19	10
Total Amounts recognised in the statement of Profit and Loss	42	31

d) Amounts recognised in other comprehensive income
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Components of actuarial gain / losses on obligations:		
Due to change in financial assumptions	7	1
Due to change in experience adjustments	7	31
Total	14	32

e) Sensitivity analysis
₹ in lakhs

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
DBO On base assumptions		
A. Discount Rate		
1. Effect due to 0.5% increase in discount rate	323	300
2. Effect due to 0.5% decrease in discount rate	334	311
B. Salary Escalation Rate		
1. Effect due to 0.5% increase in salary escalation rate	334	311
2. Effect due to 0.5% decrease in salary escalation rate	323	300
C. Withdrawal Rate		
1. Effect due to 10 % (10%) increase in withdrawal rate	329	307
2. Effect due to 10 % (10%) decrease in withdrawal rate	328	304

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
f) Actuarial assumptions

Following are the principal actuarial assumptions used at Balance Sheet date:

Particulars	Gratuity March 31, 2025	Gratuity March 31, 2024
Discount rate (per annum)	6.55%	7.20%
Expected return on plan assets	NA	NA
Withdrawal rate	15% p.a at younger ages to 10% p.a. at older ages	15% p.a at younger ages to 10% p.a. at older ages
Salary growth rate	5%	5% to 6%
Mortality rates	India Assured Lives Mortality (2012-14)	

B) Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits for measurement purpose. The group's liability is actuarially determined by an independent actuary using the Projected Unit Credit Method at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

a) Movements in present value of defined benefit obligation (DBO)

₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Obligations as at beginning of the year	89	115
Current service cost	24	23
Interest cost	6	4
Benefits paid	(10)	(30)
Others	3	(14)
Actuarial (gain) / loss on obligations	(8)	(9)
Present value of defined benefit obligation as at end of the year	104	89

b) Amount recognised in the Balance Sheet

₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Present value of defined benefit obligation as at end of the year	104	89
Net Liability recognised in the Balance Sheet	104	89

c) Amounts recognised in the statement of Profit and Loss

₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Current service cost	24	23
Interest cost	6	4
Expected return on plan assets	(6)	-
Total Amounts recognised in the statement of Profit and Loss	30	27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
d) Sensitivity analysis
₹ in lakhs

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
DBO On base assumptions		
A. Discount Rate		
1. Effect due to 0.5% increase in discount rate	102	88
2. Effect due to 0.5% decrease in discount rate	106	92
B. Salary Escalation Rate		
1. Effect due to 0.5% increase in salary escalation rate	106	92
2. Effect due to 0.5% decrease in salary escalation rate	102	88
C. Withdrawal Rate		
1. Effect due to 10% (10%) increase in withdrawal rate	104	90
2. Effect due to 10% (10%) decrease in withdrawal rate	104	90

e) Actuarial assumptions

Following are the principal actuarial assumptions used at Balance Sheet date:

Particulars	Compensated absences March 31, 2025	Compensated absences March 31, 2024
Discount rate (per annum)	6.55%	7.20%
Expected return on plan assets	NA	NA
Withdrawal rate	10% to 15%	10% TO 15%
Salary growth rate	5.00%	5.00%
Mortality rates	India Assured Lives Mortality (2012-14)	
Leave availment rate	1.50%	1.50%
Leave encashment rate	0.00%	0.00%

Note 25 : Operating leases

The Group has taken office, factory spaces and warehouses under cancellable operating leases for periods ranging from 11 months to 3 years. Lease arrangements are usually renewable on mutually agreed terms and are cancellable by written notice.

₹ in lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Future minimum lease payments are as follows:		
- not later than one year	100	97
- later than one year but not later than five years	107	106
- later than five years	-	-
Total	207	203

Note 26 : Segment reporting
Business Segment:

The Holding Company operates in two segment viz. textile dyes and chemicals and electrical capacitors, however the segment reporting for electrical capacitors is not disclosed separately, as the same does not qualify for separate disclosure as per IND AS 108 on operating segments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 27 : Deferred tax

Deferred tax asset on carry forward of unused tax losses and unused tax credits has not been recognised because it is not probable that future taxable profit will be available against which the Holding Company can use the benefits therefrom.

Details of business loss and unabsorbed depreciation carry forward in future till assessment year 2024-25 is as follows.

Assessment year	Unabsorbed Deprecation ₹ in lakhs	Unabsorbed Business Loss ₹ in lakhs	Remarks
2000-01	181	-	
2001-02	26	-	
2002-03	-*	-	
2003-04	2	-	
2004-05	19	-	
2006-07	104	-	
2009-10	6	-	
2011-12	19	-	
2012-13	18	-	
2013-14	15	-	
2014-15	14	-	
2015-16	13	-	
2016-17	64	-	
2019-20	98	-	
2021-22	21	-	
2024-25	157	241	
Total	757	241	
Total unabosrbed depreciation and business loss	998		
Income tax @ 25.17%	251		

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

Based on the above deferred tax assets to the extent of ₹ 251.13 lakhs is available in future to set off against future income tax.

Note 28 : Related party relationships, transactions and balances: (as per IND-AS 24)
a) Enterprise significantly influenced by the Key Managerial Personnel or their relatives

- 1) Chemron Texchem LLP
- 2) Asha Marine Products Private Limited
- 3) Emerald Capital Services Private Limited
- 4) Vindhyapriya Holdings Private Limited
- 5) Khatau Leasing and Finance Company Private Limited
- 6) Prism Plantations Private Limited
- 7) Khatau Holding and Trading Company Private Limited
- 8) Prerana Leasing and Finvest Private Limited
- 9) MKK Holdings Private Limited
- 10) Priyanilgiri Holdings Private Limited
- 11) Priyamvada Holdings Limited
- 12) Orchard Acres
- 13) Reactive Engineering Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
b) Key management personnel and their relatives

- 1) Mr. Mahendra K. Khatau (Chairman and Managing Director)
- 2) Mrs. Asha M. Khatau (Non-Executive Director and wife of Chairman)
- 3) Mr. Manish M. Khatau (Whole-Time Director and son of Chairman)
- 4) Mr. Kailash Pershad (Non-Executive Independent Director) till 31.03.24
- 5) Mr. Bhalchandra G. Sontakke (Non-Executive Independent director) till 31.03.24
- 6) Mrs. Sneha Vidyadhar Khandekar (Non-Executive Independent Director)
- 7) Mr. Suyash Neelkanth Bhise (Non-Executive Independent Director)
- 8) Mr. Adarsh Shukla (Non-Executive Independent Director)
- 9) Mr. Rahul Singh (Non-Executive Independent Director)
- 10) Ms. Rupal B. Parikh (Chief Financial Officer)
- 11) Mr. Rajesh D. Pisal (Company Secretary)
- 12) Mr. Arup Basu (Managing Director)
- 13) Mr. Vikas Agarwal (CFO, Refnol Resins and Chemicals Limited) till 29.09.23
- 14) Mr. Bilal Topia (CS, Refnol Resins and Chemicals Limited) till 29.09.23.
- 15) Mrs. Leela K. Khatau (Consultant, Refnol Resins and Chemicals Limited - mother of Shri Mahendra K. Khatau - Chairman) till 29.09.23.
- 16) Mr. Mukund R. Nagpurkar (Non-Executive Independent Director Refnol Resins and Chemicals Limited) till 29.09.23.

c) Key Managerial Personnel Compensation
₹ in lakhs

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Short-term employee benefits	178	198
Terminal Benefits	12	14
Other Benefits	5	7
Total Compensation	195	219

d) Details of transactions with related parties during the year
₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Revenue from operations						
Orchard Acres	307	169	-	-	307	169
Totals	307	169	-	-	307	169
Purchase of Goods						
Orchard Acres	1,187	913	-	-	1,187	913
Total	1,187	913	-	-	1,187	913

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
d) Details of transactions with related parties during the year (Contd.)
₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Income :						
Rent Received / Other Income / Sale Of Assets						
Orchard Acres	22	22	-	-	22	22
Total	22	22	-	-	22	22
Director's Sitting Fees						
Mr. Mahendra K. Khatau	-	-	-	_*	-	_*
Mrs. Asha M. Khatau	-	-	_*	1	_*	1
Mr. Kailash Pershad	-	-	-	1	-	1
Mr. Bhalchandra G. Sontakke	-	-	-	2	-	2
Mr. Mukund R. Nagpurkar	-	-	-	_*	-	_*
Mr. Rahul Singh	-	-	1	2	1	2
Mr. Adarsh Shukla	-	-	1	_*	1	_*
Mr. Suyash Neelkanth Bhise	-	-	1	_*	1	_*
Mrs. Sneha Vidyadhar Khandekar	-	-	_*	_*	_*	_*
Total	-	-	4	7	4	7
Managerial Remuneration #						
Mr. Mahendra K. Khatau	-	-	72	72	72	72
Mr. Manish M. Khatau	-	-	36	36	36	36
Ms. Rupal B. Parikh	-	-	21	24	21	24
Mr. Arup Basu	-	-	35	34	35	34
Mr. Vikas Agarwal	-	-	13	29	13	29
Mr. Bilal Topia	-	-	-	5	-	5
Mr. Rajesh D. Pisal	-	-	18	19	18	19
Total	-	-	195	219	195	219
Expenses						
Orchard Acres	23	22	-	-	23	22
Mrs. Leela K. Khatau	-	-	-	5	-	5
Reactive Engineering Private Limited	25	24	-	-	25	24
Total	48	46	-	5	48	51

Note 1 : *Amount is below the rounding off norms adopted by the Group.

Note 2 : # does not include the amount payable towards compensated absences by the group, as the same is calculated for the group as a whole on actuarial basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
e) Details of transactions with related parties during the year

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest on Borrowings						
Prism Plantations Private Limited	2	2	-	-	2	2
Mr. Mahendra K. Khatau	-	-	7	16	7	16
Mrs. Asha M. Khatau	-	-	6	7	6	7
Mr. Manish M. Khatau	-	-	8	9	8	9
Reactive Engineering Private Limited	-*	-	-	-	-*	-
Total	2	2	21	32	23	34
Loan Taken during the year						
Prism Plantations Private Limited	11	3	-	-	11	3
Mr. Mahendra K. Khatau	-	-	106	63	106	63
Mrs. Asha M. Khatau	-	-	-	20	-	20
Mr. Manish M. Khatau	-	-	15	-	15	-
Reactive Engineering Private Limited	3	-	-	-	3	-
Total	14	3	121	83	135	86
Loan repaid during the year						
Prism Plantations Private Limited	12	-*	-	-	12	-*
Mr. Mahendra K. Khatau	-	-	23	125	23	125
Mrs. Asha M. Khatau	-	-	-	20	-	20
Mr. Manish M. Khatau	-	-	17	7	17	7
Total	12	-*	40	152	52	152
Deposit given						
Reactive Engineering Private Limited	1	-	-	-	1	-
Total	1	-	-	-	1	-

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
f) Outstanding balances with related parties:

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade receivables						
Orchard Acres	512	61	-	-	512	61
Less: Allowances for Credit Losses	-	-	-	-	-	-
Net amount receivable	512	61	-	-	512	61
Other receivables						
Orchard Acres	-	115	-	-	-	115
Total	-	115	-	-	-	115
Deposit given						
Orchard Acres	5	5	-	-	5	5
Reactive Engineering Private Limited	4	3	-	-	4	3
Total	9	8	-	-	9	8
Investments in optionally convertible debentures						
Khatau Holding and Trading Company Private Limited	-*	-*	-	-	-*	-*
Priyamvada Holdings Limited	1	1	-	-	1	1
Total	1	1	-	-	1	1

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

g) Outstanding balances with related parties:

₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade Payables						
Orchard Acres	645	355	-	-	645	355
Total	645	355	-	-	645	355
Borrowings						
Prism Plantations Private Limited	15	16	-	-	15	16
Mr. Mahendra K. Khatau	-	-	150	67	150	67
Mrs. Asha M. Khatau	-	-	54	54	54	54
Mr. Manish M. Khatau	-	-	65	68	65	68
Reactive Engineering Private Limited	3	-	-	-	3	-
Total	18	16	269	189	287	205

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
g) Outstanding balances with related parties: (Contd.)
₹ in lakhs

Nature of transactions	Significantly Influenced		Key Management Personnel and their relatives		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Interest accrued and due on borrowings						
Prism Plantations Private Limited	-*	-*	-	-	-*	-*
Mr. Mahendra K. Khatau	-	-	1	1	1	1
Mrs. Asha M. Khatau	-	-	-*	1	-*	1
Mr. Manish M. Khatau	-	-	1	1	1	1
Reactive Engineering Private Limited	-*	-	-	-	-*	-
Total	1	-*	2	3	2	3
Other Payables						
Reactive Engineering Private Limited	5	2	-	-	5	2
Total	5	2	-	-	5	2
O/S Dues Managerial Remuneration						
Mr. Mahendra K. Khatau	-	-	3	3	3	3
Mr. Manish M. Khatau	-	-	2	2	2	2
Mr. Arup Basu	-	-	1	2	1	2
Mr. Vikas Agarwal	-	-	-	2	-	2
Ms. Rupal B. Parikh	-	-	2	2	2	2
Mr. Rajesh D. Pisal	-	-	1	1	1	1
Total	-	-	9	12	9	12

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

Note 29 : Other Disclosures :

- a) The group does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

b) The group has following transactions with struck off companies.

Name of the Struck off Companies	Nature of transactions with struck off Company	No. of shares	Balance outstanding / Nominal share value	Relationship with the struck off Company, if any
ALMEIDA EQUITY FUND PVT. LTD.	Investments in securities	240	2,400.00	Equity shareholder
ARUNESH TRADING & INVESTMENTS (P) LTD.	Investments in securities	50	500.00	Equity shareholder
ASHWIN TRADING & INVESTMENTS (P) LTD.	Investments in securities	50	500.00	Equity shareholder
ADITI CAPITAL SERVICES P. LTD.	Investments in securities	50	500.00	Equity shareholder
CONSOLIDATED SERVICES & SEC. I. LTD.	Investments in securities	5650	56,500.00	Equity shareholder
DEEPAUL TRADING & INVESTMENTS (P) LTD.	Investments in securities	150	1,500.00	Equity shareholder
DELHI FINANCIERS PVT. LTD.	Investments in securities	150	1,500.00	Equity shareholder
G M DANDIDAR COMMERCIAL PVT. LTD.	Investments in securities	6500	65,000.00	Equity shareholder
INTACT LEASING & FINANCE LTD.	Investments in securities	500	5,000.00	Equity shareholder
M / S RAMHARI INVESTMENTS P. LTD.	Investments in securities	450	4,500.00	Equity shareholder
MANJAPRA SEC. & INVT. P. LTD.	Investments in securities	1650	16,500.00	Equity shareholder
NAVRATNA INVESTMENTS P. LTD.	Investments in securities	50	500.00	Equity shareholder
NAKUL TRADING & INVESTMENTS PVT. LTD.	Investments in securities	150	1,500.00	Equity shareholder
ORLON EXPORTS PVT. LTD.	Investments in securities	100	1,000.00	Equity shareholder
SILVER ARROW INVEST PVT. LTD.	Investments in securities	100	1,000.00	Equity shareholder
SKIM INVESTMENTS AND LEASING P. LTD.	Investments in securities	50	500.00	Equity shareholder
SANTOSH SECURITIES LTD.	Investments in securities	50	500.00	Equity shareholder
VINSUM CONSULTANTS PVT. LTD.	Investments in securities	150	1,500.00	Equity shareholder
VMS CONSULTANTS PVT. LTD.	Investments in securities	80	800.00	Equity shareholder

c) The group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The group has not traded or invested in Crypto currency or Virtual Currency during the year.

e) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The group does not have 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.)

h) The group is not declared as wilful defaulter by any bank or financial institution or other lender.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 30 : Details of Subsidiary Companies

Name of the group	% of holding	Country incorporation	Financial year ends on
Refnol Overseas Limited	100%	Mauritius	31-03-2025
Indokem Bangladesh (PVT) Limited	80%	Bangladesh	31-03-2025
Tex Care Middle East LLC (TCME)	100%*	UAE	31-03-2025

*including beneficiary interest

Note 31 : Disclosure of additional information pertaining to the parent, subsidiary companies and joint arrangement as per Schedule III of the Companies Act, 2013

No.	Name of the entity in the group	Total Assets		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
	Parent group								
	Indokem Limited	92.43%	13,021	29.30%	92	100.00%	(16)	25.51%	76
	Foreign Subsidiary Companies								
1	Refnol Overseas Limited	2.11%	298	1.61%	5	0.00%	-	1.69%	5
2	Indokem Bangladesh (PVT.) Limited	0.07%	10	(5.02%)	(16)	0.00%	-	(5.29%)	(16)
3	Tex Care Middle East LLC	10.42%	1,468	73.68%	231	0.00%	-	77.62%	231
	Total	105.04%	14,797	99.56%	313	100.00%	(16)	99.54%	297
	Adjustment arising out of consolidation	(5.04%)	(710)	0.44%	1	0.00%	-	0.46%	1
	Grand Total	100.00%	14,087	100.00%	314	100.00%	(16)	100.00%	298

Note 32 : Previous year's figures have been recasted / restated wherever necessary.

As per our attached report of even date

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W / W - 100036

Rachit Sheth

Partner

Membership No.: 158289

Place: Mumbai

Date: May 9, 2025

For and on behalf of the Board

INDOKEM LIMITED

Mahendra K. Khatau

Director

DIN : 00062794

Rupal B. Parikh

Chief Financial Officer

Place: Mumbai

Date: May 9, 2025

Manish M. Khatau

Director

DIN : 02952828

Rajesh D. Pisal

Company Secretary



A Khatau Enterprise

If undelivered please return to

Indokem Limited

Khatau House, Plot No. 410, Mogul Lane, Mahim,
Mumbai - 400 016.