

5<sup>th</sup> September, 2025

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
**Scrip Code - 506655**

National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
**Scrip Symbol - SUDARSCHEM**

Dear Sir / Madam,

**Sub: Notice convening 74<sup>th</sup> Annual General Meeting and Annual Report for FY 2024-25**

Please be informed that the 74<sup>th</sup> Annual General Meeting (“AGM”) of SUDARSHAN CHEMICAL INDUSTRIES LIMITED (“the Company”) is scheduled to be held on **Monday, 29<sup>th</sup> September, 2025 at 4:00 p.m. (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), inter alia, to transact the business stated in the Notice convening 74<sup>th</sup> AGM.

The Board of Directors at its meeting held on 25<sup>th</sup> July, 2025 has recommended Final Dividend of ₹4.50/- per Equity Share of ₹2.00/- each (i.e. 225%) for the Financial Year 2024-25 and if approved by Shareholders at the ensuing 74<sup>th</sup> AGM of the Company, such Final Dividend shall be paid on or before 20<sup>th</sup> October, 2025, to those Shareholders whose name appears as on the Record Date viz., Monday, 22<sup>nd</sup> September, 2025.

Pursuant to Regulations 30(2) and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations, 2015”), we hereby submit a copy of the Annual Report for the Financial Year 2024-25, along with Notice convening 74<sup>th</sup> AGM scheduled as aforesaid, as circulated to the Shareholders through electronic mode today i.e. on Friday, 5<sup>th</sup> September, 2025, whose email addresses were registered with the Company/Registrar and Transfer Agent/Depository Participant(s), in accordance with the applicable Circulars issued by The Ministry of Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”).

Further, in accordance with the Regulation 36(1)(b) of SEBI Listing Regulations, 2015, a letter communicating the web-link, including the exact path, where complete details of the Annual Report for FY 2024-25 are available, is being dispatched to the Members who have not registered their email addresses with the Company.

Further, as required under Regulation 34 of SEBI Listing Regulations, 2015, the Company has also published Business Responsibility and Sustainability Report (“BRSR”) for the Financial Year 2024-25, which forms part of the said Annual Report.

Notice of the 74<sup>th</sup> AGM and Annual Report for the Financial Year 2024-25 is also available on the website of the Company at <https://www.sudarshan.com/annual-reports/>

Brief details of the 74<sup>th</sup> AGM are as below:

<b>Date and Time of 74<sup>th</sup> AGM</b>	Monday, 29 <sup>th</sup> September, 2025 at 4:00 p.m. (IST)
<b>Web link for participating through VC/OAVM</b>	<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>
<b>Cut-off date for e-voting</b>	Monday, 22 <sup>nd</sup> September, 2025
<b>Remote e-voting start date and time</b>	Wednesday, 24 <sup>th</sup> September, 2025 at 9:00 a.m. (IST)
<b>Remote e-voting end date and time</b>	Sunday, 28 <sup>th</sup> September, 2025 at 5:00 p.m. (IST)
<b>Access to remote e-voting website</b>	Individual Shareholders holding securities in demat mode with NSDL: <a href="https://evoting.nsdl.com/">https://evoting.nsdl.com/</a>  Individual Shareholders holding securities in demat mode with CDSL: <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>  Individual Shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>
<b>Record Date for the payment of Final Dividend of ₹4.50/- per Equity Share of ₹2.00/- each (225%) for FY2024-25</b>	Monday, 22 <sup>nd</sup> September, 2025

Kindly take the same on record.

Thanking You,  
Yours Faithfully,

For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

MANDAR VELANKAR  
GENERAL COUNSEL AND COMPANY SECRETARY

Encl.: As above.



**SUDARSHAN**

Outshine. Outdo.

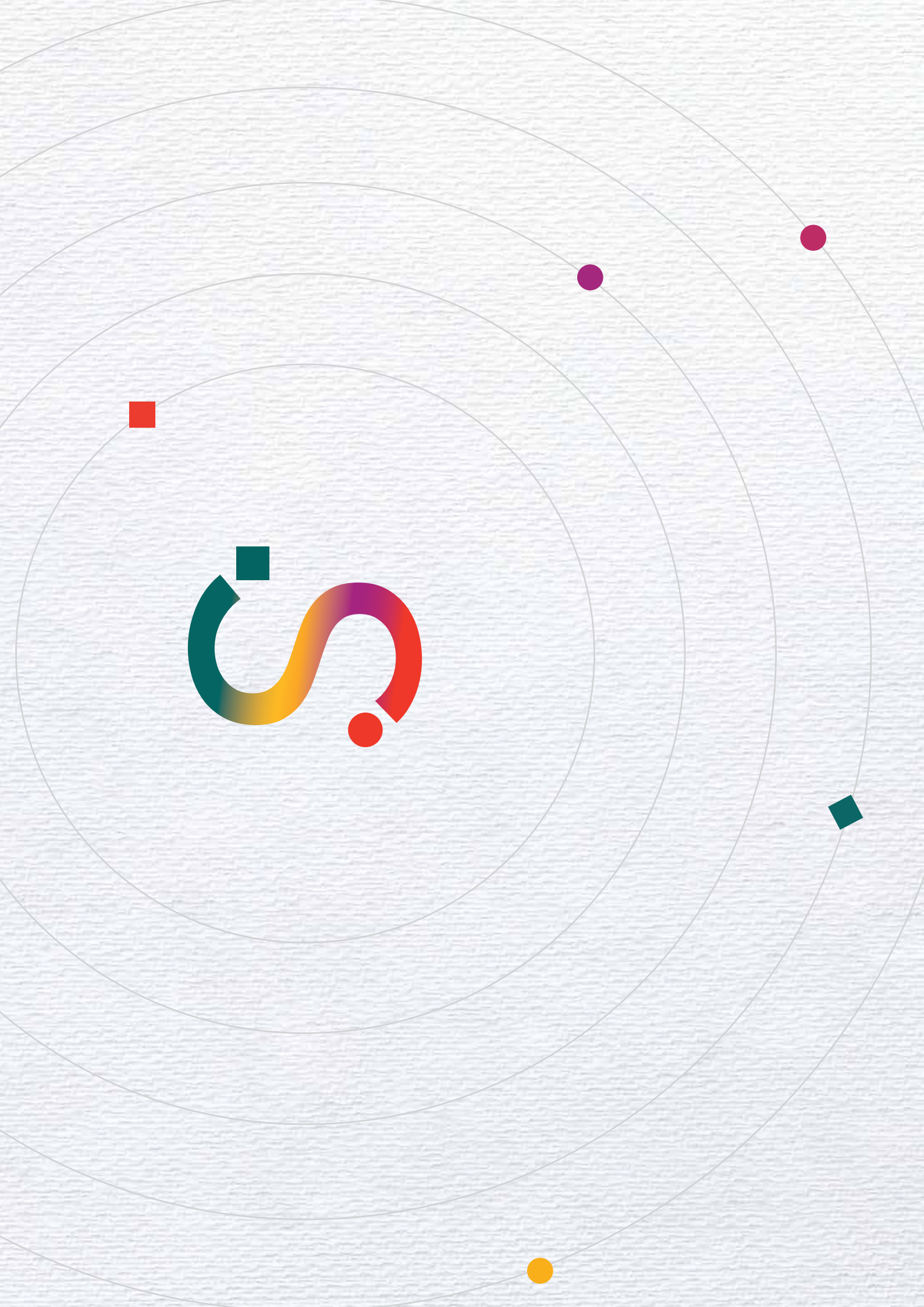
# ONE

**SUDARSHAN**

BECOMING  
THE  
INSPIRATIONAL  
LEADER OF THE  
COLORANTS  
INDUSTRY

**2024-2025**

**74th ANNUAL  
REPORT**



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## This was more than an acquisition; it was a transformation.

With 19 manufacturing sites in 11 countries, presence across 120+ countries, and one of the world's most expansive pigment portfolios, we are now among the top two pigment players in the world. But scale is just the beginning.

The integration is rooted in shared values, a deep commitment to Seva (selfless service), and a relentless drive to lead through innovation, sustainability, and precision.

From Day One of integration, we have led with clarity and conviction; aligning our systems, harmonizing our culture, and engaging our 3,900+ employees across continents under a shared Purpose, Mission, and Values. Through every plant, every formulation, every customer engagement, ONE Sudarshan is bringing its bold vision to life.

We are not simply manufacturing pigments.

We are **engineering inspiration, enabling progress, and coloring a sustainable future.**

As ONE Sudarshan — **uniting legacy, scale, and spirit**— we are **becoming the inspirational leader of the global colorants industry.** Together, we lead with bold purpose, breakthrough solutions, and the belief that true leadership inspires others to follow.

# WHO WE ARE. WHAT WE DO.

## A Unified Legacy, A Global Vision

Sudarshan is a global leader in pigment manufacturing, strengthened through the integration of Sudarshan Chemical Industries Limited and Germany's historic Heubach Group, which had acquired Clariant's pigment business in 2022.

Founded in 1951 in Pune, India, Sudarshan has grown from early foundations into a multinational leader in pigments and color technologies. Decade by decade, we have evolved from a regional business into a trusted global partner.

Today, as ONE Sudarshan, we operate worldwide, driving color innovation with precision, consistency, and intent. With 19 manufacturing sites in 11 countries and a customer base spanning 120+ countries, we are a trusted supplier to industries around the world.

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## OUR PURPOSE

Unleashing **Vibrancy, Joy & Possibilities...**

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## OUR MISSION

Being the **inspirational leader** of the colorants industry delivering **breakthrough** results for all our **stakeholders through reliable and sustainable** solutions

# OUR VALUES (REAPS)

## Respect:

Listen actively and embrace diversity

## Entrepreneurship:

Spot it, own it, do it!

## Agility

Act quickly!

## Passion

Put your heart in everything you do

## Seva

Joy through service

Ind-Ra: Long-Term IND AA/Stable (Rating Watch with Developing Implications);  
Short-Term IND A1+ (Rating Watch with Developing Implications)  
CRISIL: Commercial Paper (₹50 Cr) A1+\* (Rating Watch with Developing Implications)

\*CRISIL reaffirmed A1+ rating on 20 April, removing Rating Watch with Developing Implications.

# KEY FIGURES THAT DE

## FINANCIAL HIGHLIGHTS

**3,346**

₹ Crore, Consolidated Revenue  
from Operations, FY 2025

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**381**

₹ Crore, Consolidated EBITDA, FY25

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**164**

₹ Crore, Consolidated Net Profit, FY25

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**7,780.3**

₹ Crore, Market Capitalisation as  
on 31<sup>st</sup> March, 2025

# FINE ONE SUDARSHAN

## OPERATIONAL HIGHLIGHTS

19

Manufacturing Facilities

12

Technology Centres

3,912

Global Team Strength  
as on 31<sup>st</sup> March, 2025

63

Number of Brands

# STATEMENT FROM THE CHAIRMAN AND MANAGING DIRECTOR



**Mr. Rajesh Rathi**  
Chairman and Managing Director

We united legacy, scale, and purpose to create **ONE Sudarshan**: a global force built to become the inspirational leader in the colorants industry

Dear Shareholders,

FY25 was a landmark year in the journey of Sudarshan Chemical Industries Limited (Sudarshan). I stand not only as a leader, but as part of a united global team shaping the future of the colorants industry.

This is the first annual report I have the honor of presenting to you as Chairman and Managing Director of your company.

We are no longer just Sudarshan. We are ONE Sudarshan — a bold, purpose-led, and performance-driven organization built with over 270 years of combined legacy expertise from Sudarshan, Heubach Group, and Clariant Pigments. Our vision is clear: to become the inspirational leader of the global colorants industry, delivering sustainable, innovative, and reliable solutions.

# HEUBACH ACQUISITION: A DEFINING TRANSFORMATION



In March 2025, we opened a new chapter with the acquisition of the Heubach Group, which had acquired Clariant's pigment business in 2022. This milestone was the culmination of Sudarshan's deliberate pursuit of strategic inorganic growth opportunities, delivering a once-in-a-generation transformation that brings three iconic pigment legacies together under one powerful identity.

Heubach carries a legacy of more than 200 years, strengthened by Clariant's pigment business. With 17 manufacturing sites, 2,500+ employees, and €1 billion in revenue in FY22, the group is known for its technical depth and trusted partnerships across coatings, plastics, inks, automotive, electrical, and electronics industries.

With this acquisition, Sudarshan is among the top two pigment manufacturers and the most valuable player in the colorants industry.

Yet this journey isn't just about scale. It's about synergy. We are combining Heubach's technical excellence with Sudarshan's agility, customer focus, and purpose of Seva. With this, we are raising the bar for the entire industry.

The new identity isn't just visual; it is a symbol of our united purpose — to unleash joy, vibrancy and possibilities — and of our mission to deliver breakthrough results and sustainable solutions for all our stakeholders.

## Financial Performance

Despite a complex macroeconomic environment, flat demand, destocking cycles, and geopolitical uncertainties, I'm pleased to report that our Sudarshan Legacy pigment business has delivered a robust financial performance on revenue and **EBITDA margins in FY25.**

**In FY25, Sudarshan Legacy pigment business' (pre-acquisition group) revenue stood at ₹2,595 Crore, up 16.7% year-on-year (y-o-y), compared to ₹2,223 Crore in FY24.** This growth was driven by high-performance pigments (HPP) and complex inorganic color pigments (CICP). Gross margin improved by **190 bps to 46.2%, led by product mix and operating efficiencies.** Higher growth in sales with improved gross margin resulted in adjusted EBITDA of **₹396 crore, up 32% y-o-y, with EBITDA margin at 15.2%.**

On a consolidated basis, ONE Sudarshan reported revenue of **₹3,346 Crore in FY25, including a ₹525 Crore contribution from the acquired group. Adjusted EBITDA stood at ₹402 Crore, with margins of 12.0%, underscoring the benefits of scale, integration, and disciplined execution.**

The acquired group had not undergone statutory audits of its consolidated accounts for the past two years. Additionally, we encountered challenges due to operations being spread across three separate ERP systems that were not integrated.

These complexities caused delays in the submission of the audited financial results. Nevertheless, our teams navigated the process with integrity and diligence, ensuring the successful completion of the audit.

## Integration Update and Value Creation

We recognized that the integration of Legacy Sudarshan and Legacy Heubach would be a challenging task given the scale, complexity and cultural differences.

Hence, as soon as we signed the definitive agreement, we initiated the integration program, focusing on value creation, Day-1 readiness, organizational design and business continuity. The program targeted improvements in operations, fixed cost reduction, IT integration, and procurement, while ensuring seamless Day-1 execution and clarity on organizational structure.

The key challenge lay in turning around the acquired group to a positive EBITDA. Early execution is already reflecting signs of structural margin improvement.

Some of the key focus areas were:

- Rebuilding the trust and confidence with all customers, suppliers
- Given the expansion of our manufacturing footprint to 19 sites in 11 countries, the vigor needed to be truly world-class and competitive
- Harmonizing the product portfolio

- Rebuilding and strengthening the Product Management team
- Unifying the data systems into a single platform
- Integrating the supply chain and developing resilience, especially given the volatile context
- Motivating and rebuilding the organization as we go through the process and fostering the ONE Sudarshan culture

While early results are encouraging, we know this journey requires patience, discipline, and careful execution. We approach it with determination and caution. Our progress gives us confidence. Each challenge we face — financial, operational, or cultural — strengthens the foundation we are building. We view them not as obstacles, but as opportunities to embed discipline, resilience, and long-term value.

Our message is clear: **ONE Sudarshan is committed to driving profitable and sustainable growth, with a foundation of disciplined execution and prudent financial management.**

## Innovation and R&D: Powered by Purpose

At the heart of ONE Sudarshan is our commitment to science-led, customer-driven innovation. With 200+ R&D specialists across 12 global technical centers, we are pioneering sustainable pigment solutions and accelerating development in high-performance and eco-friendly formulations. Strengthened technical partnerships and close collaboration with customers enable us to co-create

solutions that set new benchmarks in durability, efficiency, and sustainability. From coatings and plastics to digital inks, home and personal care, we are designing the next generation of colorants — smarter, more sustainable, and precisely tailored to tomorrow's performance needs.

## Sustainability: A Non-Negotiable Imperative

Sustainability is a commitment embedded across our innovation, operations, and culture. We are committed to reshaping our product portfolio and processes to align with long-term environmental goals and global best practices.

Our approach is anchored in tangible actions: reducing CO<sub>2</sub> emissions through greener chemistry and optimized supply chains, and adopting cleaner, safer manufacturing processes that protect both people and the planet. We are also incorporating sustainable additives, exploring new materials that meet stringent environmental standards, and designing pigments to extend product life cycles, reduce waste, and conserve resources.

This commitment is reinforced by globally recognized certifications, including ISO 9001, ISO 14001, and ISO 45001, which validate our focus on performance, environmental stewardship, and workplace safety. Every innovation and certification strengthens our color solutions, designed to perform effectively while advancing a more sustainable future.

## Global Culture

Our people are our biggest strength and key differentiators as they have been helping us in successfully executing our strategy and building a global culture.

Our culture is anchored in our values, REAPS — Respect, Entrepreneurship, Agility, Passion, and Seva. With teams spread across India, Europe, the Americas, and Asia, we thrive on cross-cultural collaboration. Our leadership team comprises leaders from all geographies who represent our true global nature. This global exchange of ideas fuels innovation, ensures we stay close to our customers, and helps us deliver world-class solutions with local relevance. By living our values every day and embracing the richness of our global workforce, we nurture a culture where our employees feel empowered, connected, and united in purpose.

## Looking Forward

As we move into FY26 and beyond, our priorities are clear:

- **Become the partner of choice for our customers, delivering the right solutions and best-in-class service**
- **Unlock synergies across growth, cost, and cash**
- **Expand our leadership in sustainable color technologies**
- **Fully live up to our values, where performance meets purpose and ambition meets integrity**

This integration is not a finish line; it's our launchpad. We are shaping a global force that is bold and enduring — ONE Sudarshan, a belief that we lead with inspiration, deliver with excellence, and serve with purpose.

To our investors, thank you for your trust. To our customers, suppliers, and banking partners, thank you for your support. To our Board of Directors, thank you for your steady guidance. And to every employee, thank you for your resilience, commitment, and faith in this journey that makes ONE Sudarshan possible.

We have united history, ambition, and capability.

Let's continue to color a bold new future together.

Warm Regards,

**Rajesh Rathi**

Chairman & Managing Director

# OUR JOURNEY



## 2020s ONE Sudarshan

In 2025, we entered a new era by acquiring the Heubach Group, including Clariant's pigments business, whose legacy dates back to 1806. This transformative move created one of the world's most integrated and comprehensive pigment platforms: ONE Sudarshan.

As a committed leader in pigments with one of the industry's broadest portfolios, we are expanding our high-performance capabilities, pushing the boundaries of sustainability, and consistently setting new standards for the global colorants industry.

## 2010s Sharpening Our Core

We sharpened our strategic focus on pigments, widened our reach into key markets including China, Mexico, and Japan, and invested in renewable energy. This helped us being recognised with honours like the Golden Peacock Award and Great Place to Work certification.

## 2000s Going Global

We established a state-of-the-art R&D and Application Centre in Pune and launched subsidiaries in North America and Europe. Our commitment to safety earned us the prestigious Sword of Honour from the British Safety Council, recognizing excellence in workplace health and safety.

## ONE Sudarshan: Decades of Integration, Growth, and Global Impact

From humble beginnings to a global footprint, our journey reflects the power of unity and purpose.

## 1950s

### Building the Foundation

Established with an initial capital of ₹3,40,000 by Dr. R.J. Rathi and L. J. Rathi, we began as a trusted Indian manufacturer of inorganic pigments, designing our own equipment and formulating products using locally sourced raw materials.

## 1960s

### Pioneering Organic Pigments

We became the first company in India to manufacture organic pigments. Our domestic reach grew with sales offices in Mumbai, Kolkata, Chennai, and Delhi, while our export footprint expanded into Europe and Southeast Asia.

## 1970s

### Roha Plant & Public Listing

We commissioned our flagship Roha plant and listed on the Bombay Stock Exchange. During this transformative decade, we became the third company globally to produce effect pigments and the first in India's chemical sector to receive ISO 9001 certification.

## 1980s-1990s

### Technology Leap and Quality Focus

We partnered with global leaders like Dainippon Ink and Chemicals (DIC), Japan, and diversified into agrochemicals and environmental solutions. By embracing Total Quality Management (TQM), we laid the groundwork for world-class manufacturing at our Mahad facility.

# THE HEUBACH INTEGRATION STORY

For over seven decades, Sudarshan Chemical Industries has been synonymous with India's pigment manufacturing excellence, engineering its own equipment, formulating pioneering products, and steadily building global trust. From humble beginnings in **Pune in 1951**, it evolved into a forward-looking multinational with a strong focus on innovation, sustainability, and customer centricity.

Heubach Group brings an even longer industrial heritage, with roots tracing back to 1806 in Germany. Over two centuries, it established itself as a leader in pigment technology, known for German precision, technical rigor, and a portfolio serving high-performance applications in coatings, plastics, inks, and electronics. Clariant's pigment business, with its own distinguished legacy, was acquired by Heubach in **2022 and further enriched this union. The group had a global manufacturing base of 17 facilities across 11 countries.**

## **In 2025, three powerful legacies united.**

Sudarshan's acquisition of Heubach Group, one of the most significant moves in the pigment industry in decades, was a bold statement of intent. This integration led to ONE Sudarshan, a global pigment force with more than **270 years of combined heritage.**

The strategic rationale was clear: Sudarshan would not just scale; it would transform.



By integrating Heubach's portfolio of high-end specialty pigments, technical talent, and advanced manufacturing systems, Sudarshan expanded its reach across Europe, North America, South America, and Asia-Pacific, gaining immediate access to new markets, product categories, and 4,000+ customers in 120+ countries.

From the outset, the integration was built around three themes: value creation, organizational alignment, and customer-centric growth. To steer this journey, an Integrated Management Office (IMO) was established in October 2024 with the signing of the definitive agreement, ahead of the deal closing in March 2025. Built on four pillars — Master Planning, Organization, Value Capture, and Change Management. Teams across geographies collaborated to unify IT systems, streamline procurement, integrate supply chains, and build a single, agile organizational structure.

# But **ONE Sudarshan** is not just about operational integration.

## **It's about cultural synergy.**

It's about anchoring transformation in our values — Respect, Entrepreneurship, Agility, Passion, and Seva.

It's about creating an environment where performance is matched with purpose.

The first 100 days set the pace. A unified organization structure was launched, N-2 leadership appointments were made, and harmonization of core processes began. We started consolidating 26 IT systems, including ERP. Early wins included consolidated procurement contracts, insourcing of select product lines, and the first wave of manufacturing integration. **At the same time, a global Purpose, Mission, and Values (PMV) awareness initiative trained nearly 3,000 employees covering almost 80% of our workforce across 22 locations in under four months, embedding a shared purpose and identity.**

The momentum has been extraordinary. Within 100 days of integration, Sudarshan launched a new brand identity, restructured leadership

teams, preserved all plant operations, and began rolling out a unified product finder platform on a brand-new corporate website. The newly combined portfolio now represents ~1,600 pigment products across 63 brands, catering to a vast spectrum of industrial applications, from automotive and construction to textiles, cosmetics, and digital printing. With headquarters in Pune and Frankfurt and a footprint spanning **120+ countries and 19 manufacturing sites**, ONE Sudarshan is uniquely positioned to lead, not just by size, but by inspiration.

Looking ahead, the vision is bold yet focused: to become the most valuable and trusted pigment company in the world, known for its product range, reliability, speed, and sustainability. The integration is not the end goal; it is the launchpad.

# ONE Sudarshan is not just a new chapter. It is a new standard.

We are no longer playing to survive. We are playing to lead, transform, and inspire the global colorants industry.

## Core Principles Driving ONE Sudarshan



### **Boldness, passion and ambition**

We dream big, act courageously while staying humble



### **Customer centricity**

Customers are the heart of everything we do. We want the best possible outcomes for you



### **Ownership and agility**

We will strive to embrace an entrepreneurial mindset and solve problems quickly



### **Simplicity**

We do not want to over complicate it – be it platforms, systems or customer journeys



### **Financial stability**

We will spend prudently and invest in our future



## Our first 100 days in numbers

**26**

IT systems consolidated

**3,000**

Employees trained under a global PMV awareness initiative (80% of the workforce)

**22**

Locations covered

# Decoding our new logo

## The visual

- A vibrant curve connecting two different shapes, a square and a circle.
- The curve connecting the two distinct shapes embodies our ability to create breakthrough solutions that unleash new possibilities.
- The colorful gradient represents our broad and complete portfolio. Look closer, and you will notice that the curve forms an 'S' for Sudarshan, a bold new symbol of the joyful world we intend to create.

## The brand name

Our name, written in a sleek, modern font, reflects the continuity of our legacy while embracing the agility of the future.



## The brand line

‘Outshine. Outdo.’, a crisp two-word mantra that encapsulates how we unleash possibilities. For us, possibilities aren’t just about creating something new, they’re about setting new benchmarks. Every solution we develop is designed to outshine expectations and outdo our own achievements, ensuring meaningful progress for our customers, partners, and the world around us.

# KEY FINANCIAL HIGHLIGHTS

## Stronger Together, Scaling New Financial Heights

Our integration with Heubach has created a financially resilient global leader. With enhanced scale, operational efficiencies, and portfolio

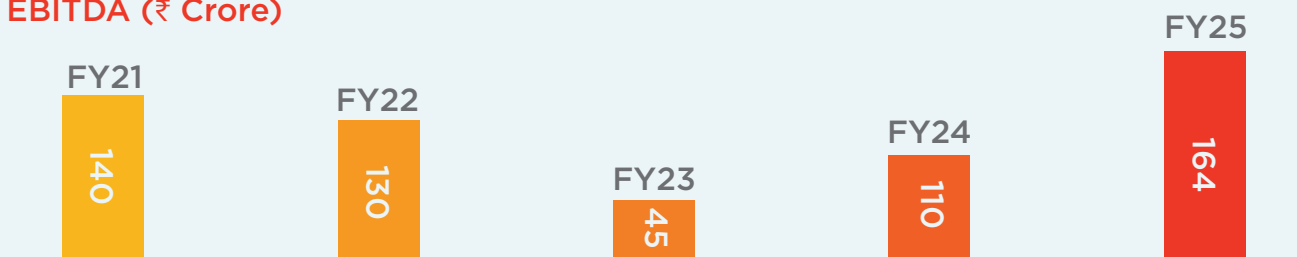
strength, **ONE Sudarshan** is delivering robust performance and building a foundation for sustained, value-driven growth.



Revenue from Operations (₹ Crore)



EBITDA (₹ Crore)



Profit After Tax (₹ Crore)



EBITDA Margin (%)

FY21

7.5

FY22

5.9

FY23

1.9

FY24

4.4

FY25

4.9

**Net Margin (%)**

FY21

15.3

FY22

11.5

FY23

6.1

FY24

11.7

FY25

10.3

**Return on Capital Employed (%)**

\*Revenue and EBIT for Legacy Sudarshan taken at actual for FY25 and Mar-25 result annualised for the Acquired group

FY21

1.2

FY22

1.1

FY23

1.1

FY24

1.4

FY25

2.1

**Current Ratio (x)**

FY21

0.8

FY22

1.0

FY23

1.0

FY24

0.3

FY25

0.3

**Net Debt to Equity Ratio (x)**

\*Debt is net of short-term investment and cash & cash equivalents

FY21

744

FY22

833

FY23

828

FY24

1,149

FY25

2,196\*

**Net Worth (₹ Crore)**

\*[Equity share capital + Other equity - Capital reserve]

FY21

20.2

FY22

18.8

FY23

6.5

FY24

16.0

FY25

22.5

**Earnings Per Share (₹)**

# A Global Network, Locally Rooted

With dual headquarters in Pune and Frankfurt and operations spanning Asia, Europe, North America, Latin America, and beyond, ONE Sudarshan connects continents. Our global footprint ensures consistent quality, local expertise, and world-class color solutions, wherever our customers are.

# 19

Manufacturing  
Sites

# 4,000+

Global Customers

# 11

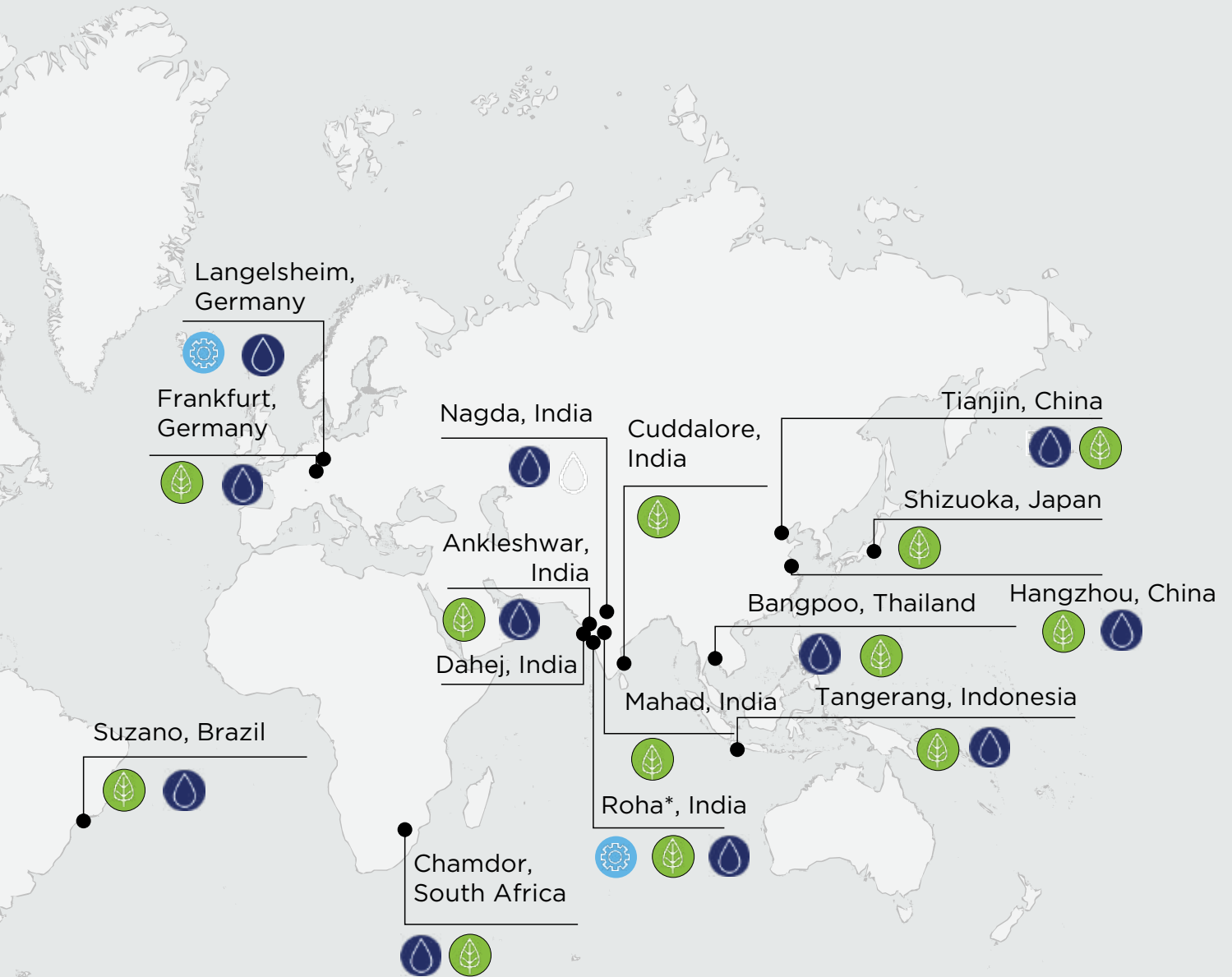
Countries with  
Sites

# 120+



Countries with  
Customers



# GLOBAL PRESENCE



\*Roha includes two manufacturing plants.

 Inorganic     Organic pigment     Preparations

# A UNIFIED PORTFOLIO OF COLOR POSSIBILITIES

From high-performance pigments to effect pigments, dispersions, and dyes, our portfolio is one of the most complete in the world. As ONE Sudarshan, we deliver innovation, performance, and versatility to meet the evolving needs of every market we serve.

**~1,600**

Pigment Products

**54**

Global Top-Selling  
Brands

**63**

Brands

**>200**

People working  
in technology roles

## Application sectors

### Coatings

High-performance pigments, effect pigments, and pigment preparations engineered for automotive, industrial, decorative, and powder coatings. They deliver exceptional color accuracy, long-term durability, and superior resistance to weathering.

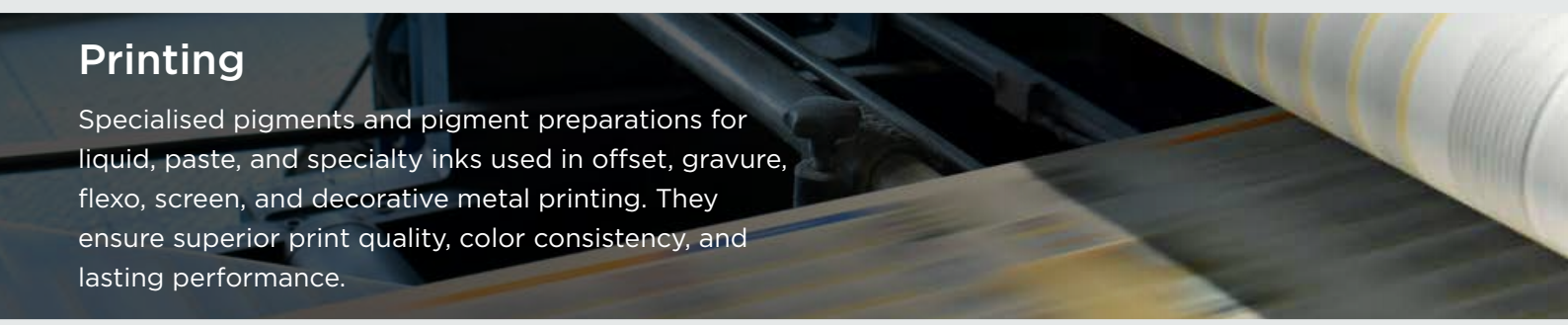


### Plastics

Durable pigments, pigment preparations, and polymer-soluble dyes designed for a wide variety of polymers, including polyolefins, PVC, and ABS. They offer excellent dispersibility, consistent color strength, and heat stability across applications.

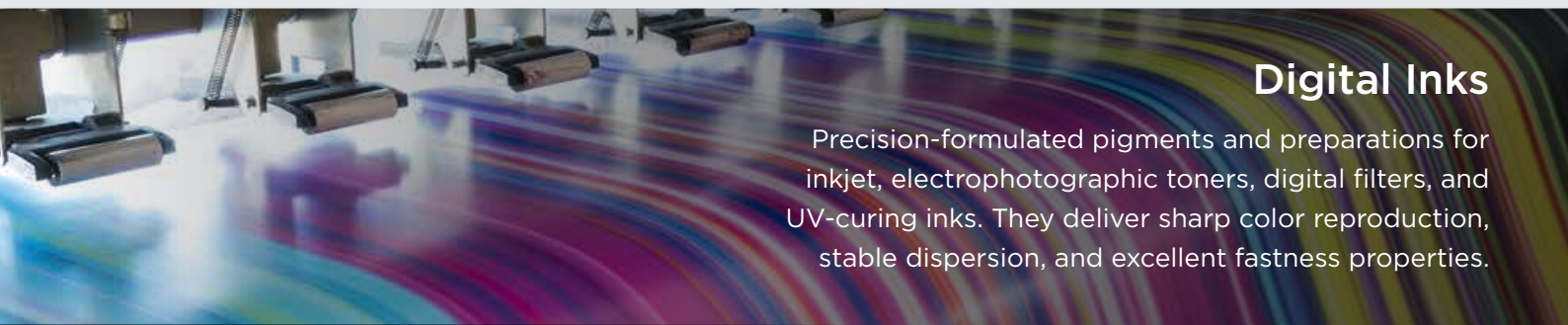
### Printing

Specialised pigments and pigment preparations for liquid, paste, and specialty inks used in offset, gravure, flexo, screen, and decorative metal printing. They ensure superior print quality, color consistency, and lasting performance.



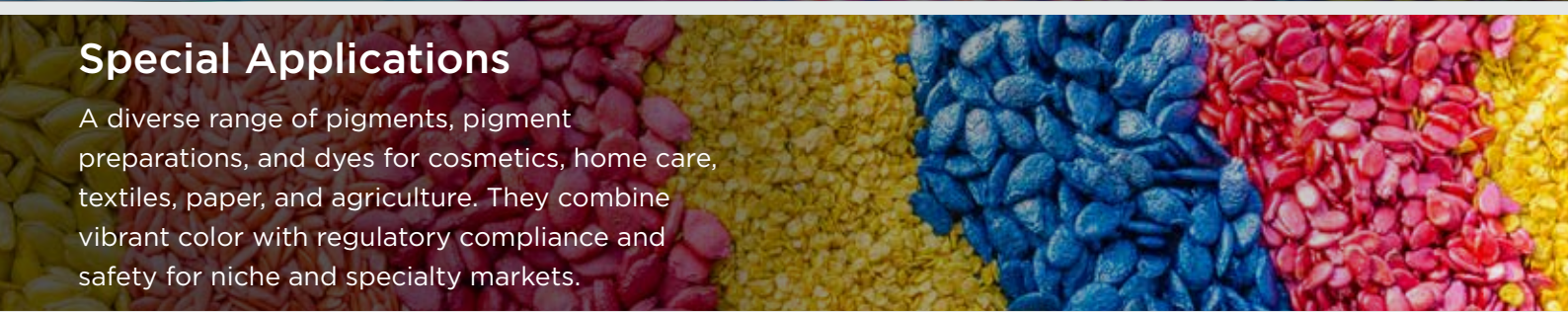
### Digital Inks

Precision-formulated pigments and preparations for inkjet, electrophotographic toners, digital filters, and UV-curing inks. They deliver sharp color reproduction, stable dispersion, and excellent fastness properties.



### Special Applications

A diverse range of pigments, pigment preparations, and dyes for cosmetics, home care, textiles, paper, and agriculture. They combine vibrant color with regulatory compliance and safety for niche and specialty markets.



### Corrosion Protection

Universal anticorrosive pigments designed to protect metal surfaces, extend service life, and minimise maintenance proven through consistent, long-term performance.



# SUDARSHAN'S PRODUCT RANGE

Following the Heubach acquisition, Sudarshan is among the top two pigment manufacturers in the world. We now offer one of the most comprehensive pigment portfolios in the industry, covering nearly every color chemistry. Our products serve a wide range of sectors, including plastics, coatings, inks, and specialty applications.

## Organic Pigments

Sudarshan offers a complete range of organic pigments from high-performance to cost-effective classical grades. High-performance brands such as Hostaperm, Sudaperm, PV Fast, Novaperm, and Vynamon deliver superior durability and weather resistance for automotive, industrial, and premium plastic applications, validated with QUV, Q-Sun, and Ci4400 testing. Sudafast serves medium-performance needs in decorative paints, fibres, films, and inks, while classical Azo pigments provide economical solutions for primers, masterbatches, and appliance coatings.



### HOSTAPERM

High-performance organic pigments, including Benzimidazolone, Quinacridone, and Perinone chemistries, offering outstanding thermal stability, weather resistance, and lightfastness for demanding industrial applications.

### SUDAPERM

Advanced high-performance pigments such as Quinophthalone, Isoindoline, and Anthraquinone, engineered for exceptional durability and long-term performance in high-end coatings and plastics.

### NOVOPERM®

Novoperm pigment types offer good to excellent weather fastness, good solvent fastness and high heat resistance. They are widely used to replace both lead or other heavy metal based inorganic pigments for use in the paint industry when the pigments must meet special requirements.

### PV FAST

Fastness-rated pigments developed for high-performance plastics, particularly suited to automotive and outdoor environments requiring superior durability.

### GRAPHTOL

Cost-effective Azo and Phthalocyanine pigments with excellent dispersibility and high tinting strength, used widely in general-purpose plastic applications.

### SUDAFAST

Medium-performance Azo and Phthalocyanine pigments known for strong color strength, chemical resistance, and reliability in general industrial applications.

## Inorganic Pigments

Our inorganic pigments, Heucodur and Sudatherm, offer exceptional heat stability and weather resistance for demanding exterior uses. Trusted in chimneys, rooftops, and construction materials, they ensure lasting color integrity and minimal maintenance in harsh environments.



### HEUCODUR & SUDATHERM

Complex inorganic color pigments (CICPs) based on mixed metal oxides, offering high thermal and weather stability, which is ideal for construction, roofing, and other extreme-environment applications.

## Anticorrosive Pigments

Sudarshan provides a range of chrome-free anticorrosive solutions, including orthophosphates, polyphosphates, modified silicas, organic inhibitors, and flash rust inhibitors. These technologies are designed to extend asset life and significantly reduce long-term maintenance costs. Our flagship brands, Heucophos and Heucosil, also include zinc-free options for more sustainable corrosion protection.

## Effect Pigments

Sumica and Sumicos, based on natural mica, deliver visual effects with brilliance and sparkle. These pigments are used across seed coatings, textiles, automotive finishes, and general industrial plastics.

### SUMICA

Highly dispersible mica-based pigments for optical effects such as metallic shine and sparkle, used in cosmetics, plastics, and consumer goods.

## Pigment Dispersions

Pigment dispersions or preparations are binder-free, liquid color concentrates available in systems. Brands such as Colanyl, Hostatint, and Hostafine are designed for easy incorporation into coating systems and ensure consistent performance across a range of applications.



### COLANYL

APEO-free aqueous dispersions compatible with low VOC decorative paint systems.

### HOSTATINT

Water- and solvent-based dispersions suitable for decorative paints and air-drying coatings.

### HOSTAFINE®

Transparent water-based wood stains and glazes based on non-ionic APEO-free wetting agents.

## Dyes

Sudarshan manufactures a range of high-quality dyes tailored for diverse industrial applications. Our portfolio includes solvent dyes, metal complex dyes, and specialised colorants used in inks, plastics, coatings, and textiles.

With advanced manufacturing capabilities and stringent quality control, we ensure consistent performance, vibrant shades, and excellent solubility across our dye solutions.

### SAVINYL® DYES

Solvent-soluble metal complex dyes for wood stains, writing inks, and paints based on polar solvents.

# FULL BRAND LIST

## Organic Pigments

Heuco	Hansa	PV Fast	Dalamar
Hostaperm	Sudacolor	Graphtol	InkJet
Sudaperm	Monolite	Vynamon	Toner
Novoperm	Monastral	Agrocer	Sudajet
	Permanent	Sudafast	

## Inorganic Pigments

Heucodur	Hostaperm Oxide	Sudatherm	Vanadur
Ultrazur	Sudadur	Sumica	Sumicos

## Pigment Preparations

Colanyl	Heucotint	Flexoprint	Hostanol
Sudanyl	Hostajet	Acrocer Disp.	Heucosin
Hostatint	Heucospere	Hostafine	HeucoFit
Aquis	Microspere	Cosmenyl	Tico
Sudafine	Flexonyl	Licosperse	Hostaprint
	Hostasin	Heucoplast	

## Anticorrosive Pigments

Heucophos	Heucosil	Heucorin	Heucoflash
-----------	----------	----------	------------

## Dyes

Duasyne	Polysynthren	Sanodye	Solvaperm
Fat	Sanodal	Sanolin	Sudasol
Hostasol	Sanodure	Savinyl	

# RECOGNITION THAT REFLECTS LEADERSHIP

In FY25, Sudarshan's commitment to sustainability, inclusive growth, and responsible business practices was recognized on prestigious platforms in India and abroad. From environmental stewardship to rural development and CSR innovation, our initiatives have been celebrated by esteemed institutions, distinguished juries, and national leaders. These accolades reaffirm our purpose of creating lasting value for communities and inspire us to continue leading with responsibility, innovation, and impact.





# MANUFACTURING EXCELLENCE

## Precision in Every Process

We are transforming our global manufacturing network into a unified, high-performance engine that delivers precision, efficiency, and unmatched quality to every customer, everywhere.



## Key Highlights

# 19

Manufacturing sites  
across the globe

# 16%

Y-o-Y increase in  
overall production for  
Legacy Sudarshan

### Cost Improvement and Technology Upgradation

In FY25, Sudarshan's manufacturing operations achieved notable gains in efficiency through yield improvement, energy optimization, and recovery initiatives.

#### Key Achievements Post Acquisition

- Identified key areas for cost improvement across manufacturing sites
- Standardized OEE tracking processes across all India sites
- Validate installed capacities and complete product mapping across Indian sites, identifying debottlenecking opportunities
- Review energy mix across Indian sites and outline phased actions to increase green energy adoption

#### Looking Ahead

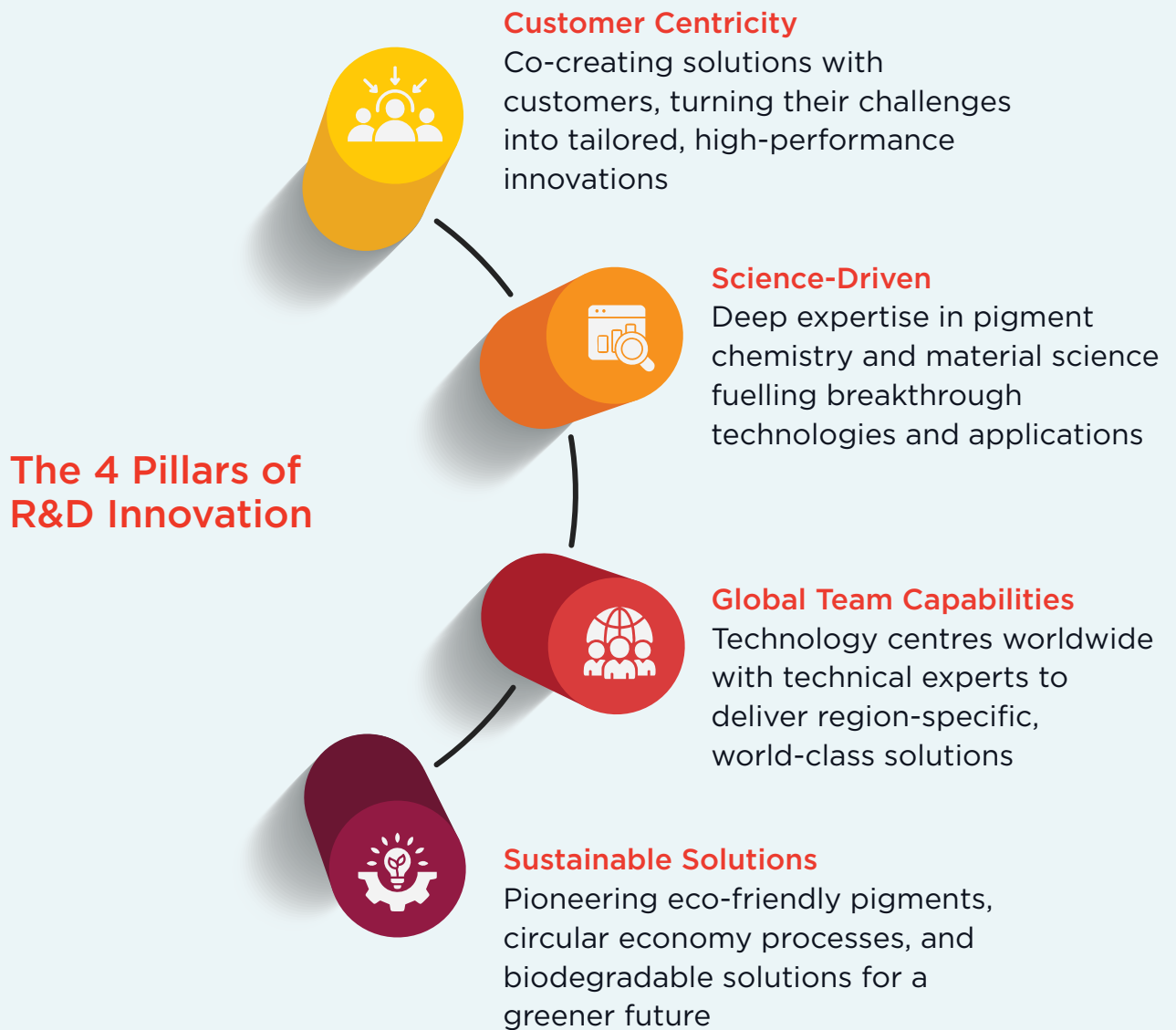
For FY26, the manufacturing function will focus on driving greater efficiency, consistency, and safety across the network. Key priorities going forward include:

- Harmonize critical KPIs and their definitions across sites
- Ensure optimum line utilization with minimal changeovers
- Maintain high OEE levels on critical lines

# R & D AND INNOVATION

## Innovating the Future of Color

From insight to impact, our R&D unites science, creativity, and customer collaboration to shape smarter, more sustainable color solutions, setting new benchmarks for performance in the global colorants industry.



## Key Highlights

# 12

Technology centres  
across the globe

# 200+

Technical experts

# 20

New products  
launched across  
organic and inorganic  
pigments businesses

### Expanding the Innovation Footprint

FY25 was a landmark year for R&D at ONE Sudarshan. We expanded our global innovation footprint, successfully integrating Heubach and Clariant Pigments' technical organisations, and significantly broadening the scope of our portfolio. The acquisition extended our product range, enhanced our R&D activities, and expanded market coverage, creating a truly global innovation network.

Post acquisition, our R&D network operates six centres worldwide: Pune, Roha, Mumbai, and Ankleshwar in India, and Frankfurt and Langelsheim in Germany. We also operate innovation centres in locations such as Santa Clara, Mexico; Suzano, Brazil; and Charlotte, North Carolina, US, among others, totaling 12 technology centres worldwide. This global setup enhances infrastructure, scientific talent, and technology platforms, enabling faster region-specific solutions,

shorter supply chains, and reduced product carbon footprints.

During the year, several projects advanced from lab-scale trials to full commercial production, with a strong focus on sustainability. Key achievements included green chemistry-based pigment synthesis, the elimination of hazardous solvents in select processes, and notable improvements in process safety.

The integration has also broadened our product portfolio, especially in dispersions, allowing closer customer engagement and more targeted regional innovation. In inorganic pigments, minimal overlap between the legacy companies has translated into a greatly expanded and complementary offering, strengthening our position across diverse market segments.

## Sustainable Technologies

Sustainability remains a central pillar of our innovation strategy, with a significant share of R&D projects dedicated to advancing eco-friendly pigment technologies. Our efforts span reducing side products and waste, creating value from by-products, developing bio-based raw materials, and engineering low-energy pigment synthesis routes.

In FY25, we intensified our work on bio-based and biodegradable pigments, sustainable synthetic

processes, and circular economy solutions, transforming industrial by-products into valuable materials such as aluminium oxide from aluminium sludge and calcium hydrogen phosphate from waste phosphoric acid. We also introduced pigment solutions for sustainable plastics, including OK Compost and EN 13432-certified grades for biodegradable resins (PLA, PHA, PBS, PBAT) and NIR-detectable black pigments, enabling more efficient recycling of black plastics across applications.

## Technical Expertise and Team Structure

Our R&D function comprises around 30 full-time equivalents, supported by over 200 technical professionals worldwide in innovation and go-to-market roles. The R&D structure is organised into five

specialist teams: azo, high-performance pigments (HPP), anti-corrosion pigments (ACO), inorganic, and sustainability-led innovation.

### Coloring New Frontiers

A defining milestone for Sudarshan in FY25 was the completion of the Pigment Violet 23 range, now covering all application segments. In addition, we secured the Sudatex qualification for OEKO-TEX and certification for products to be

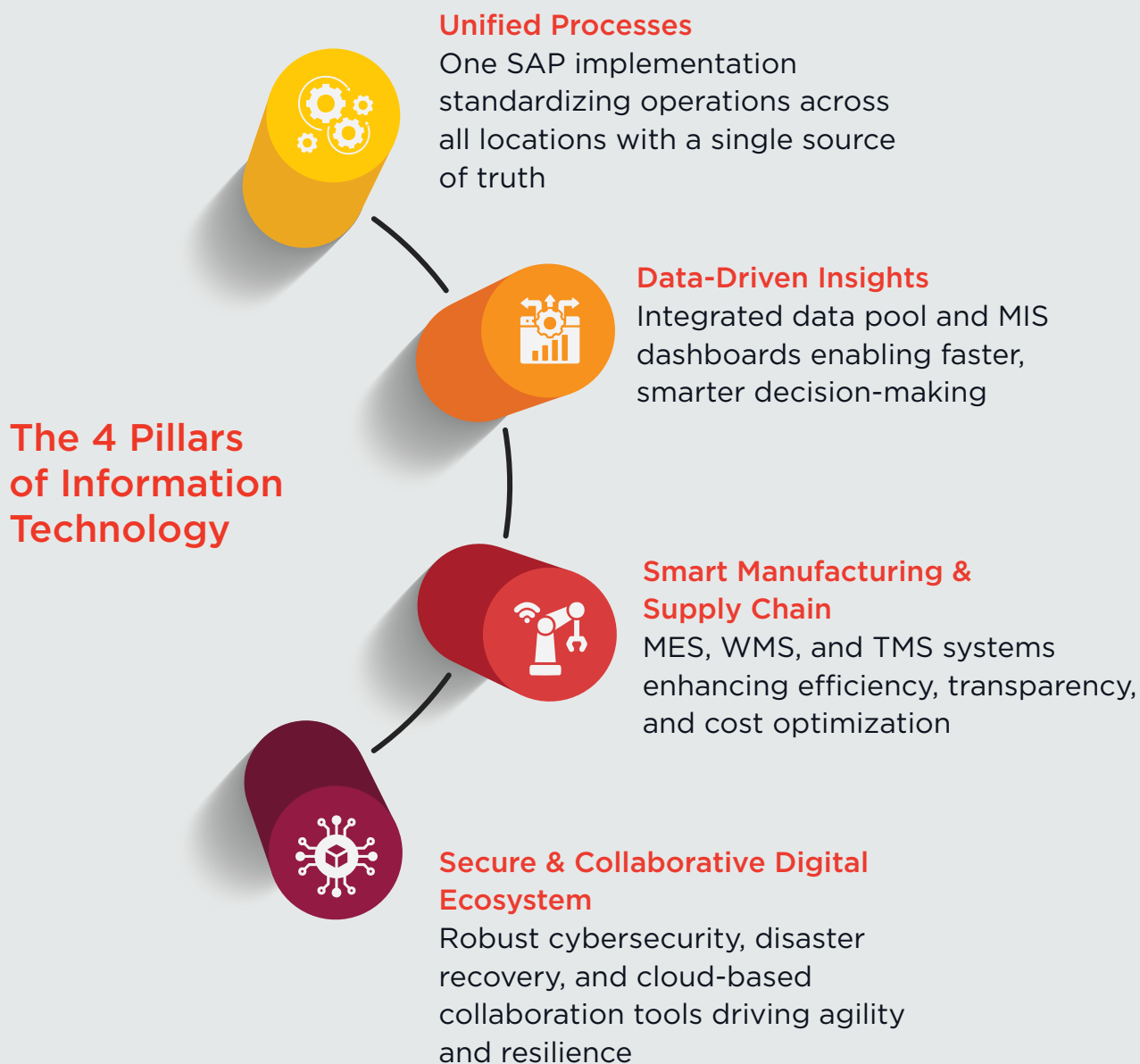
compostable in industrial composting facilities, meeting the requirements of European standard EN 13432:2000.

These achievements mark balanced progress across technical capability, sustainability, and market readiness.

# INFORMATION TECHNOLOGY

## Powering a Connected, Intelligent Future

We are uniting our global IT landscape into one intelligent, agile system that drives efficiency, enables smarter decisions, and delivers a seamless experience for every customer we serve.



## One System, One Process

At the core of Sudarshan's digital transformation is the vision of One System, One Process, unifying our operations globally. The One SAP enterprise application will integrate nearly all critical business functions, harmonizing processes across locations, ensuring robust control,

and providing a single source of truth for management reporting. Complementing this, the Planvisage platform is being deployed to cover demand, production, replenishment, and distribution planning, enabling real-time visibility and efficient resource allocation.

# HUMAN RESOURCES

## Building a People-First Future

We are shaping a culture where talent thrives, values drive performance, and every individual feels empowered to contribute to our shared ambition.

### The 4 Pillars of Human Resources



## Key Highlights

# 3,912

Total employee strength as of 31<sup>st</sup> March, 2025

# 62.6%

Associated for five years or more

### Robust Workforce

As of 31<sup>st</sup> March, 2025, ONE Sudarshan employed 3,912 people. Of this, 36.4% (1,424 employees) had a tenure of five years or less, while 62.6% (2,488 employees) had been with the Company for more than five years, reflecting a strong balance of fresh talent and long-standing experience.

### Attrition and Stability

Over the past five years, Sudarshan has maintained an average attrition rate of 13.08%, consistent with the chemical industry benchmark of 12.9%-13.6%. This alignment underscores the Company's ability to retain talent effectively while navigating integration and expansion, ensuring workforce stability across both legacy organizations.



## Learning and Development

Sudarshan Learning Academy delivered 24,743 training man-hours in FY25, covering 92% of employees. These included Technical/Functional (46%), Organizational (36%), Behavioural (11%), and Purpose-Driven (7%) learning.

With 10,619 training needs identified and 89.6% fulfilled, capability-building efforts were systematic and inclusive. Integration-specific training played a key role, with 138 sessions on **ONE Sudarshan's** purpose, mission, and values reaching nearly 3,000 employees (~80% of the workforce) across 22 locations, supported by 100 trained and 73 active trainers.



## Outlook

Looking ahead, Sudarshan will deepen its Performance Management System, expand leadership and technical learning, and strengthen engagement through collaboration and inclusion. A sharper focus on forward-looking organisational structures and a harmonized job architecture will build a resilient talent pipeline, align global policies, and ensure internal equity, external competitiveness, and long-term readiness for a dynamic business environment.

# OUR ESG COMMITMENT

## Driven by **Impact**, Guided by **Values**

Sudarshan is committed to creating long-term sustainable value for all stakeholders by integrating environmental stewardship, social progress, and strong corporate governance into every aspect of our business.

As a global leader in color solutions, we integrate ESG considerations throughout our business strategy and daily operations to create lasting value.

We believe in setting high standards for performance and driving meaningful change in our industry through transparency, open dialogue, and a diversity of perspectives. Sustainability has transitioned from a compliance obligation to a strategic imperative. We have institutionalized ESG practices aligned with frameworks such as GRI, SBTi, BRSR, and the UN Global Compact.

# ESG VISION

To be the global leader in the pigment industry by operating responsibly and growing sustainably

# ESG MISSION

To provide a safe, inclusive and enriching environment to drive an eco-efficient business.



## Alignment with UN Sustainable Development Goals (SDGs)

Sudarshan is committed to contributing to a more sustainable world, and we use the United Nations Sustainable Development Goals (SDGs) as a global framework to focus our efforts. Our sustainability strategy is built to create a positive impact across the value chain, specifically aligning our contributions with the following goals:

- **SDG 6: Clean Water and Sanitation**  
We are committed to responsible water management, from minimizing our water footprint in production to ensuring the quality of our wastewater discharge.
- **SDG 8: Decent Work and Economic Growth**  
We foster a safe, inclusive, and ethical workplace, providing fair wages, promoting employee well-being, and supporting career development.
- **SDG 12: Responsible Consumption and Production**  
We innovate to develop sustainable color solutions, minimize waste, and manage the environmental impact of our products throughout their lifecycle.
- **SDG 13: Climate Action**  
We are dedicated to reducing our carbon footprint through energy efficiency, operational improvements, and exploring renewable energy sources.
- **SDG 17: Partnerships for the Goals**  
We believe in the power of collaboration, working with industry partners, suppliers, and local communities to advance shared sustainability objectives.  
  
This includes our membership in the Responsible Mica Initiative, reinforcing ethical sourcing and sustainable value chains.

## Responsible Care

We actively support the global Responsible Care® Initiative, which promotes safety, environmental stewardship, and sustainable practices in the chemical industry.



We have already implemented the program at our sites in India, where we follow its core seven foundational codes and best practices:

- **Community Awareness and Emergency Response:** Building trust and being prepared for any situation
- **Pollution Prevention:** Reducing waste and emissions to protect the environment
- **Process Safety:** Managing risks to prevent accidents and chemical releases
- **Distribution:** Ensuring the safe transportation of our products
- **Employee Health and Safety:** Protecting the well-being of our workforce
- **Product Stewardship:** Managing health, safety, and environmental aspects of our products
- **Security:** Safeguarding our facilities and products from unauthorized access

Sudarshan Roha and Mahad sites are certified under Responsible Care and comply with ISO 14001, ISO 45001, ISO 9001, and ISO 27001 standards, underlining our commitment to responsible operations.

## ESG Global Benchmarks

- **Ecovadis:**

Sudarshan is in the top 3 percentile of companies in the EcoVadis Assessment with a Gold rating. Ecovadis offers comprehensive assessment of sustainability performance across the environment, labor and human rights, ethics, and procurement.



- **CDP:**

Sudarshan has secured 'B' ratings in both Climate Change and Water Security categories, demonstrating its consistent commitment to responsible environmental stewardship.

- **Dow Jones Sustainability Index (S&P Global ESG Score):**

For the year 2024, Sudarshan has earned an S&P Global ESG Score of 55, placing it in the 85th percentile among the global chemical industry peers.

## ONE Sudarshan ESG Initiatives

As part of our post-merger integration with the Heubach Group, Sudarshan will embed robust sustainability practices across our combined operations in the coming year.

- **R&D for Sustainability:**

In FY25, 80% of our R&D investments were directed toward technologies that improve environmental and social outcomes, reducing POPs, enhancing solvent recovery, and improving yields. We operate three state-of-the-art R&D centres and collaborate with academic and industry partners.

- **Governance and Compliance:**

We maintain a robust three-tier ESG governance framework, led by the Board, an ESG Steering

Committee, and functional working groups. Regular cybersecurity audits and penetration testing ensure regulatory and digital compliance.

- **Inclusive Culture and Social Impact:**

Sudarshan has been recognized as a Great Place to Work, supporting diverse, inclusive, and multi-generational talent. Our CSR programs reached over 1,20,000 lives in FY25, focusing on education, healthcare, women's empowerment, and environmental initiatives.

# CSR & COMMUNITY INITIATIVES

## Our Social Commitment

At Sudarshan, our social commitment is centered on creating lasting, meaningful impact within our communities. Our efforts are structured around five core pillars: Women Empowerment, Environment, Education, Health, and Community Development.

Through targeted initiatives in education, healthcare, skill development, and overall well-being, we strive to address real needs and empower individuals. Guided by a people-first approach, we collaborate closely with local stakeholders to foster inclusive and sustainable growth.

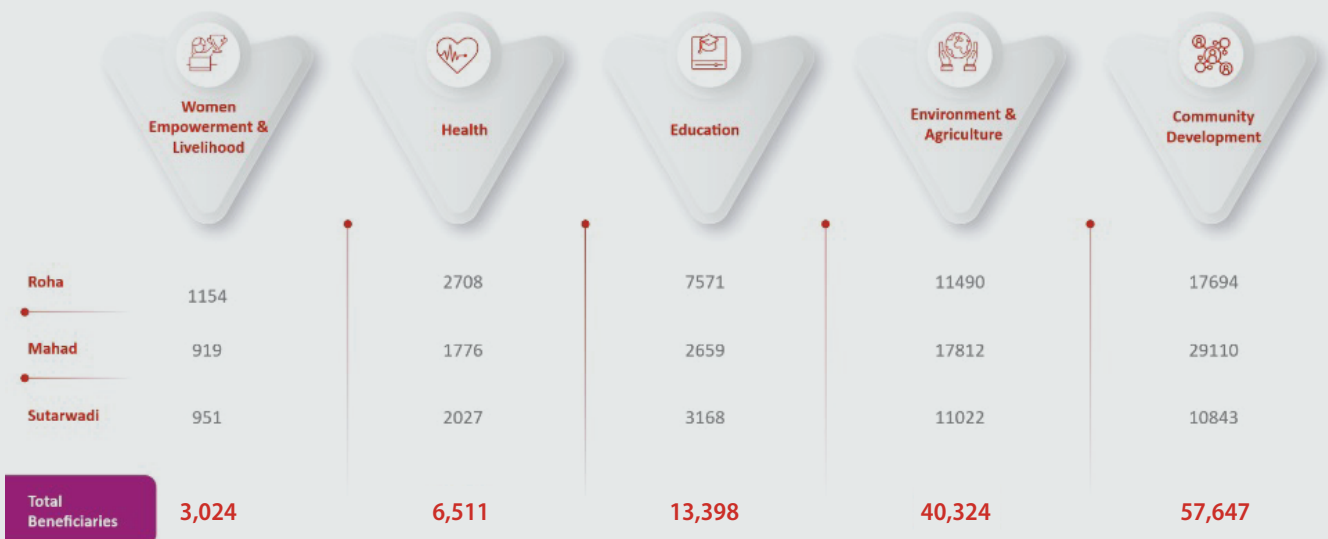
By aligning our resources with on-the-ground insights, we aim to build stronger, more resilient communities and create opportunities where everyone can thrive.

**₹204.6 Lakhs**

Total CSR Spending

### Lives touched through CSR initiatives

Total Reach out :- 1,20,904



## Community Development

During the year, several initiatives were undertaken to strengthen governance, transparency, and service delivery at the village level:

### Gram Panchayat ISO

During the year, four Gram Panchayats from Roha, Mahad, and Sutarwadi were developed and supported in achieving ISO certification, promoting improved governance systems, transparency, and service delivery at the village level.

### Gram Panchayat Capacity Building Training

A series of capacity-building trainings and exposure visits were conducted across Roha and Mahad blocks, engaging key grassroots stakeholders including Sarpanch, Deputy Sarpanch, Gram Sevaks, Community Resource Persons (CRPs), and ASHA workers. A total of 12 trainings were organized, reaching 1,017 participants. Notable outcomes include the adoption of innovative practices such as the barcode system for tax collection

by two Gram Panchayats in Roha, and proactive involvement in the Gram Panchayat Development Plan (GPDP) process, with 10 panchayats submitting their annual plans. The sessions also led to increased engagement in CSR interventions, improved collaboration between Panchayats and external stakeholders, and a strong commitment to conducting regular Gram Sabha meetings to enhance transparency and community participation.

### Gram Panchayat Exposure Visit

Gram Panchayats play a pivotal role in driving holistic village development as the foundation of the Panchayati Raj Institutions (PRIs). However, to fulfill this role effectively, it is essential that Gram Panchayat members and leaders are aware of the ideal functioning of a proactive and development-oriented panchayat.



To provide them with inspiration and a practical learning opportunity, an exposure visit was organized to the Ideal Village “Manyachiwadi” in Satara district, a model village recognized for its exemplary efforts in sustainable development and community participation. A total of 47 Gram Panchayat members from Roha, Mahad, and Sutarwadi participated in this visit.

### Solar Street Lights

We supported 70 Gram Panchayats by providing solar streetlights. This initiative not only enhances public safety and promotes clean energy but also helps the Panchayats significantly reduce their electricity bills, allowing them to save funds which can be redirected towards other developmental activities in the village.

## Women Empowerment & Livelihoods

As part of our efforts to promote livelihoods, we implemented key initiatives such as Uniform Making Units, Skill Training, Entrepreneurship Development Training, CRP Training, and Vocational Training. In total, 1,941 youth were trained, resulting in the launch of 198 startups. Among them, 165 youth received skill training, 198 completed entrepreneurship training, and 411 individuals were trained under CSR capacity-building programs, including CRPs. One of the major highlights was the launch of the USHA Stitching Unit, which received bulk orders and created regular income opportunities for women. We also strengthened 330 Self-Help Groups (SHGs) through ongoing support and training. We aim to expand our collaboration with NSDC, state agencies, and corporate partners to ensure long-term impact and sustainability.



## Education

### School & Anganwadi ISO

As part of our quality enhancement efforts in education and early childhood care, 8 Zilla Parishad schools in Tolan and 4 Anganwadis were supported to achieve ISO certification, focusing on improving infrastructure, hygiene, documentation, teaching practices, and community involvement. This led to visibly cleaner and more organized learning spaces, systematic record-keeping, and greater awareness among staff about quality standards. The initiative strengthened the involvement of school management committees and parents, fostering a sense of accountability.

### School Libraries

To enhance student learning and promote reading habits, 7 library sets were provided to schools. This initiative aims to create a supportive learning environment and

encourage curiosity, comprehension, and a lifelong interest in reading among students.

### School Infrastructure

We provided basic infrastructure support to local government schools. This included the installation of water filters, provision of shoe stands, library stands, and other essential items, contributing to a cleaner, safer, and more organized school atmosphere for students.

### E-Learning

To enhance the quality of education and digital learning in rural areas, we provided 12 solar-powered e-learning sets to Zilla Parishad schools across Roha, Mahad, and Sutarwadi. This initiative aims to support uninterrupted learning, even in areas with limited electricity access, and improve student engagement through interactive digital content.



### Life Skills Enhancement (Sujan Initiative)

Under the Sujan initiative, employees actively led and facilitated life skill training sessions across Zilla Parishad schools in Roha, Mahad, and Pune. The training covered practical and creative skills such as plumbing, carpentry, gardening, electrical work, rangoli design, jewelry making, and science project development. A total of 2,850 students benefited from these sessions.

### Remedial Classes for Underprivileged Students

In Pune's urban slum areas, we reached 350 students through five community centers, providing remedial classes, access to educational materials, and individualized development support.

### Sudha Sitara Scholarship

Launched in 2021, this employee-owned initiative continues to support higher education for underprivileged students across Raigad. In FY25, 235 students were awarded scholarships, including boys and Persons with Disabilities (PWDs).

### Kitchen Gardens

Four school kitchen gardens were developed, promoting environmental care and nutrition through organic vegetable cultivation used in midday meals.

### Awareness Sessions for Children

Over 150 children participated in sessions on global warming, climate change, child rights, and child protection.



# Environment

## Water Resource Development Project (WRDP)

In its second phase, WRDP supported one new village with watershed and livelihood interventions, including cement nala bunds, gabion structures, agriculture demo plots, and Vanrai Bandhara. Vegetable demonstration plots helped farmers earn an average of ₹45,000 within three months.

## Tree Plantation

1,304 trees planted across locations, with a 90% survival rate. Focus was on indigenous and horticultural species, enhancing both ecology and livelihoods.

## Waste Management

Initiatives undertaken to promote sustainable waste handling practices in local communities.



## Health

### Health Camps

Eye check-up camps, cataract surgeries, and an Arthro-Neuro camp benefited 1,490 individuals.

### Menstrual Health Awareness

Structured training for 1,040 adolescent girls and parents, facilitated by experts, supported by health kit distribution.

## Employee Engagement

At Sudarshan, we believe that contributing to the well-being of society is a shared responsibility. In FY25, 828 employees participated in community initiatives, contributing 1,919 hours across programs such as

Sujan life-skills training, Sudha Sitara scholarships, tree plantation drives, community celebrations, blood donation camps, fire safety awareness, and Individual Volunteering Day (IVD) activities.

### Did You Know?

Sudarshan has been certified as a Great Place to Work, fostering a diverse, inclusive, and multi-generational workforce. In FY25, our CSR programs reached over 1,20,000 lives, with a strong focus on education, healthcare, women's empowerment, and environmental sustainability.

## Governance

At Sudarshan, strong governance is the foundation of our long-term success. We are committed to transparency, ethical conduct, and accountability across all operations, ensuring decisions align with the best interests of our stakeholders. Our governance framework promotes compliance with global standards, fosters responsible

leadership, and drives sustainable value creation.

A robust risk management, compliance, and reporting system ensures regulatory adherence, supported by regular audits. This commitment fosters trust, accountability, and long-term value while advancing a sustainable future.

### Did You Know?

50% of the field officers at our Roha plant are female working across all three shifts.

# PROFILE OF DIRECTORS



## Pradeep R. Rathi

**(Chairman up to close of business hours on 29<sup>th</sup> May, 2025)**

Mr. Pradeep Rathi holds an MS in Chemical Engineering from MIT, USA, and an MBA from Columbia University, USA. He has held leadership roles in various industry bodies, including the Indian Chemical Manufacturers' Association and the Maharashtra Chamber of Commerce, and also served as President of the Rotary Club of Poona. Associated with Sudarshan for over four decades, he retired as Managing Director in 2018 and as Non-Executive Chairman on 29th May 2025.



## Mrs. S. A. Panse

**Non-Executive and Independent Director**

Mrs. Panse holds multiple management degrees from Pune University and an MBA in Bank Management from Drexel University, USA, along with a CAIIB qualification. She has had an illustrious banking career, serving as Executive Director of Vijaya Bank and later as Chairperson and Managing Director of Allahabad Bank until her retirement in 2014. She currently serves on the Boards of several reputed Indian companies.



## Rajesh B. Rathi

**(Chairman and Managing Director)  
(appointed as Chairman effective close of business hours on 29th May, 2025)**

Mr Rajesh Rathi has completed BE (Mechanical) from MIT, Pune; BSc (Chemical) from Ohio University, USA and MBA from the University of Pittsburgh, USA. He has been associated with the Company for more than three decades.



## Mr. Naresh T. Raisinghani

**Non-Executive and Independent Director**

Mr. Naresh Raisinghani is the CEO and Executive Director of BMGI, India, which is engaged in providing consultancy services to reputed corporate houses. He has completed his Owner / President Management Program from Harvard Business School and his Bachelors in Mechanical Engineering from University of Mumbai. Mr. Raisinghani is widely regarded as a leading thinker and an expert on Operational Excellence, Innovation and Strategy Deployment.



### Mrs. Anu A. Wakhlu

#### Non-Executive and Independent Director

Mrs. Anu Wakhlu is an industry professional in the field of Human Resource Development. She has over 30 years' experience in the field of HRD, Leadership Development, Organizational Change and Coaching across various Industry Segments especially in the Manufacturing Sector in India and Globally.



### Mrs. Sudha P. Navandar

#### Non-Executive and Independent Director

Mrs. Navandar is a qualified Chartered Accountant, Certified Public Accountant, USA and an Insolvency Professional with post qualification certification on Information System Audit (DISA). She is a partner in M/s. Pravin R. Navandar & Co., Chartered Accountants. Mrs. Navandar has an experience over 30 years in handling audit and corporate consultancy. She is also engaged in formulation of Resolution Plans besides handling other matters under Insolvency.



### Ms. Bhumika Batra

#### Non-Executive and Independent Director

Ms. Batra is a law graduate, and a fellow member of The Institute of Company Secretaries of India. She is also a recipient of Executive Program in Management from Cornell University, USA. She is a Partner of Crawford Bayley & Co., one of the oldest law firms in India. She possesses over 20 years of experience in regulatory and legal practice, specializing in corporate law.



### Mr. Ashish Vij

#### Wholetime Director

Mr Ashish Vij has completed his BE (Chemical) UDCT from Punjab University. He is a certified Six Sigma Black Belt and Lean Practitioner from Uniworld, USA and Breakthrough Management Group India.

He has also completed Strategy Intervention Programme from the Strategy Academy of Mr. Ranjan Das (Strategy Prof. of IIMC). He has been associated with the Company for more than 15 years.

# CORPORATE INFORMATION

## Board Composition as on 31st March, 2025

### Mr. P. R. Rathi

Non-Executive Chairman  
(resigned effective close of business  
hours on 29th May, 2025)

### Mr. R. B. Rathi

Chairman and Managing Director  
(appointed as Chairman effective close of  
business hours on 29th May, 2025, in addition  
to current role as Managing Director)

### Mrs. S. A. Panse

Non-Executive and Independent  
Director

### Mr. N. T. Raisinghani

Non-Executive and Independent  
Director

### Mrs. A. A. Wakhlu

Non-Executive and Independent  
Director

### Mrs. S. P. Navandar

Non-Executive and Independent  
Director

### Ms. B. Batra

Non-Executive and Independent  
Director

### Mr. A. Vij

Wholetime Director

## Committee Composition as on 31st March, 2025

### Audit Committee

Mrs. S. P. Navandar - Chairperson  
Mr. N. T. Raisinghani - Member  
Ms. B. Batra - Member

### Nomination and Remuneration Committee

Mrs. A. A. Wakhlu - Chairperson  
Mr. N. T. Raisinghani - Member  
Ms. B. Batra - Member

### Stakeholders' Relationship Committee

Ms. B. Batra - Chairperson  
Mr. R. B. Rathi - Member  
Mr. A. Vij - Member

### Risk Management Committee

Ms. B. Batra - Chairperson  
Mr. N. T. Raisinghani - Member  
Mrs. S. A. Panse - Member  
Mr. R. B. Rathi - Member  
Mr. A. Vij - Member  
Mr. Nilkanth Natu (CFO) - Member

### Corporate Social Responsibility Committee

Mrs. A. Wakhlu - Chairperson  
Mr. P. R. Rathi - Member  
(upto close of business hours on 29th May, 2025)  
Mr. R. B. Rathi - Member

## Bankers

- Axis Bank Limited
- Bank of Maharashtra
- Citibank N.A
- The Federal Bank Limited
- HDFC Bank Limited
- Hongkong and Shanghai Banking Corporation Limited
- ICICI Bank Limited
- Standard Chartered Bank
- State Bank of India

## Registrar and Transfer Agent

MUFG Intime India Private Limited  
(formerly known as Link Intime India Private Limited)  
Akshay Complex, Block No. 202,  
2nd Floor, Off Dhole Patil Road,  
Pune - 411 001, Maharashtra  
Telephone: +91 20 46014473/ 26161629  
E-mail: pune@in.mpms.mufg.com  
Website: www.in.mpms.mufg.com

## Statutory Auditors

M/s S R B C & Co. LLP  
Firm Registration Number:  
324982E/E300003

Office Address: Ground Floor,  
Panchshil Tech Park, Yerwada,  
Near Don Bosco School,  
Pune - 411006  
Telephone: +91 20 66036000

## Chief Financial Officer

Mr. Nilkanth Natu

## Company Secretary and Compliance Officer

Mr. Mandar Velankar

## Secretarial Auditor

FCS Ruchi Bhave,  
Practicing Company Secretary  
CP No. 27019

Office Address: 7, Karan Aniket,  
Plot No. 37,  
Off Mumbai-Bangalore By-pass,  
Warje, Pune - 411 058

# MANAGEMENT DISCUSSION AND ANALYSIS

## Global Economic Overview

In 2024, the global economy demonstrated cautious resilience amid persistent geopolitical tensions, shifting trade patterns, and evolving monetary policy landscapes. According to IMF's risk-adjusted reference forecast, the global GDP grew by 3.3%, with emerging markets playing a pivotal role in sustaining growth, even as advanced economies experienced a slowdown.

Global inflation declined to an estimated 5.7% in 2024 from 6.7% in 2023. Advanced economies made faster progress on price stability, averaging 2.6% inflation, while emerging

markets experienced a more gradual decline. Looking ahead, global growth is expected to decline further, with the GDP growth projected at 2.8% in 2025 before hitting a slight rebound of 3.0% in 2026. Inflation is projected to decline further, reaching 4.3% in 2025 and 3.6% in 2026. However, the direction of monetary policy will likely diverge across regions, as central banks tailor their responses to domestic economic conditions and policy objectives.

Real GDP Growth (%)	2024	2025 (P)	2026 (P)
World output	3.3	2.8	3.0
Advanced economies	1.8	1.4	1.5
Emerging markets and developing economies	4.3	3.7	3.9

(Source: IMF)

## Indian Economic Overview

India remains the fastest-growing major economy and a significant uptick in economic activity in the fourth quarter of FY 2024-25 pushed GDP growth for the full year to 6.5%. This growth was fuelled by strong domestic demand, particularly investments in infrastructure and real estate — both public infrastructure projects and private development. A rebound in the manufacturing sector, supported by the construction industry and low input costs, also contributes to the positive trend.

Beyond this, India is on an ambitious growth trajectory, targeting a \$5 trillion economy by FY28 and \$30 trillion by 2047. This is driven by large-scale infrastructure development, rapid digitalisation, and transformative government initiatives such as 'Make in India' and the Production Linked Incentive (PLI) scheme. For FY26, the government has allocated ₹11.21 Lakh Crore to capital investment, representing 3.1% of GDP.

## Indian GDP Growth Over the Years

FY23	FY24	FY25	FY26 (P)
7.6%	9.2%	6.5%	6.2%

## Outlook

India's economy is expected to grow at a healthy rate of 6.2% in FY26, supported by rising private sector investment, sustained infrastructure expansion, strong consumer demand,

and favourable demographic dynamics. With these growth drivers in place, India remains firmly on course to become the world's third-largest economy by 2030.

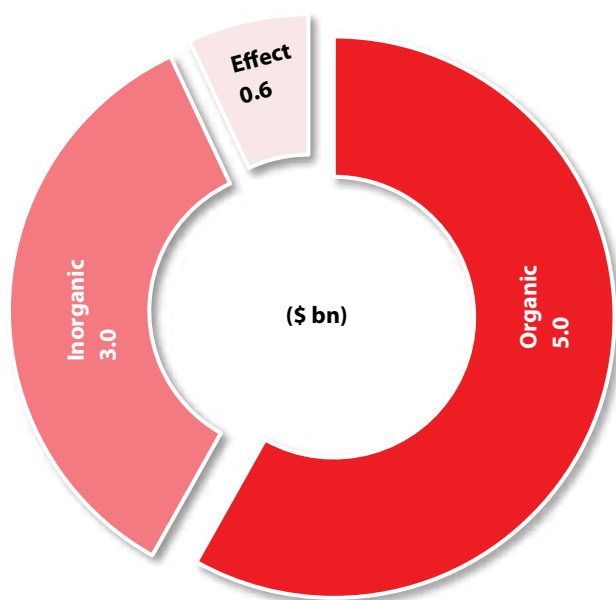
Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

India's macroeconomic landscape continues to exhibit resilience amid global uncertainties. The chemical segment plays a critical role in India's aspiration to increase its share in global manufacturing, as it sits at the intersection of multiple high-growth downstream industries like automotive, construction, packaging, and consumer goods.

(Sources: Press Information Bureau, Ernst & Young, MoSPI, IBEF)

### Global Color Pigments Market

The global color pigments market\* is expanding steadily, with a current size of nearly \$8.6 billion and an expected CAGR of 3% over the next five years. Organic pigments are widely used across paints and coatings, plastics, textiles, printing inks, cosmetics, and automotive, where their high color strength, vivid brightness, and lower environmental impact offer clear advantages over inorganic alternatives.



### Some Key Observations on the Global Pigments Market

- Market is increasingly consolidated, but not all integrations have created more successful companies.
- Geopolitical volatility underlines the importance of global manufacturing footprints and truly global partners.
- Future growth is driven by custom solutions and deep pigment expertise.

\*Excludes Black, White and Metallic Pigments.

(Source: Internal Pigment industry study and various market research reports)

### Business Overview

Founded in 1951, Pune, Sudarshan Chemical Industries Limited has been a pioneer in India's pigment industry. The Company began with a vision to build indigenous manufacturing capabilities in color solutions, engineering its

own equipment and formulating products that steadily earned global trust. Over the years, Sudarshan evolved from a domestic player into a multinational enterprise with a strong focus on innovation, customer centricity, and sustainability, establishing itself as the backbone of India's pigment manufacturing excellence.

The Company's growth trajectory was marked by continuous investments in technology, R&D, and capacity expansion, enabling service to customers in coatings, plastics, inks, and cosmetics across the world. Guided by values of Seva, ownership, bold ambition, and simplicity, Sudarshan built a reputation not just for its products, but for the relationships it nurtured with customers, partners, employees, and communities.

A defining milestone in Sudarshan's journey came in 2025 with the acquisition of the Heubach Group, a global pigment leader with more than two centuries of heritage, which had earlier acquired Clariant's pigment business in 2022. This landmark transaction combined Sudarshan's strong presence in India and other growth markets with Heubach's established footprint across Europe and the Americas, giving rise to ONE Sudarshan — now among the world's top two pigment manufacturers, with over 270 years of combined legacy. The integration has brought together complementary portfolios, advanced manufacturing systems, and deep technical expertise, positioning Sudarshan as a truly global pigment player.

Beyond strategic expansion, ONE Sudarshan continues to strengthen functional excellence. Its R&D is anchored in 12 technology global centers, with investments focused on sustainability-driven innovation such as green chemistry and circular economy solutions. Manufacturing excellence is another cornerstone, with worldclass quality, cost improvements, technology upgradation, and robust safety systems driving reliability and efficiency.

## Financial Performance

(Based on Consolidated Financials)

### Sudarshan Legacy

Sudarshan legacy delivered a resilient and consistent performance in FY25, building on its expansion strategy in HPP and CICP. Sales grew by 11.1% year-on-year, up from ₹2,539 Crore in FY24 to ₹2,821 Crore in FY25. This growth reflects both volume expansion and a sharper focus on specialty pigments.

Gross margins improved by 1.1 percentage points to 45.3%, driven by a stronger product mix and operational efficiencies. Adjusted EBITDA increased by 20.3%, reaching ₹380 Crore, while EBITDA margins improved by 1.0 percentage point to 13.5%. Profit before tax (PBT,

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2106921#:-:text=Real%20GDP%20or%20GDP%20at,9.2%25%20in%202023%2D24.> | [https://www.ey.com/en\\_in/insights/tax/economy-watch/india-towards-becoming-the-third-largest-economy-in-the-world](https://www.ey.com/en_in/insights/tax/economy-watch/india-towards-becoming-the-third-largest-economy-in-the-world) | <https://www.ibef.org/industry>

before exceptional items) rose significantly by 40.0% to ₹217 Crore, underscoring disciplined cost management and improved operating leverage.

Pigment-only business performance further highlights this strength. Pigment sales grew 16.7% year-on-year, rising from ₹2,223 Crore in FY24 to ₹2,595 Crore in FY25, with gross margins improving by 1.9 percentage points to 46.2%. Adjusted EBITDA from pigments expanded 32.0% to ₹396 Crore, with EBITDA margins at 15.2%. PBT before exceptional items from pigments surged by 65.1% to ₹246 Crore, highlighting robust profitability. The strategic push in HPP and CICP continues to strengthen the growth trajectory and margins.

Our engineering subsidiary faced challenges, with annual sales declining by 27.8% to ₹228 Crore, impacted by weak order inflow in the first half and cost overruns from earlier projects. Gross margins contracted sharply to 35.5%, while EBITDA slipped from a positive ₹16 Crore in FY24 to a negative ₹16 Crore in FY25. PBT turned negative at -₹28 Crore. However, corrective actions were initiated in the second half of the fiscal year, including tighter project cost controls, restructuring, and transformation measures. These actions resulted in improved gross margins in Q4 and are expected to stabilize the subsidiary's performance going forward.

Overall, Sudarshan legacy maintained strong momentum in pigments, demonstrating resilience despite macroeconomic challenges and weaker performance in its engineering subsidiary.

### ONE Sudarshan

FY25 marked a defining year for Sudarshan with the integration of Heubach Group and Clariant's pigment business, creating ONE Sudarshan. The consolidated results underscore the scale and financial strength of the combined entity.

ONE Sudarshan reported revenue of ₹3,346 Crore in FY25, with legacy operations contributing steady growth and the acquired group adding ₹525 Crore. Gross margins expanded by 2.8 percentage points to 47.0%, reflecting early synergy gains, operational efficiencies.

Adjusted EBITDA stood at ₹402 Crore, with EBITDA margins of 12.0%. Profit before tax (before exceptional items) was at ₹223 Crore, supported by stronger operating leverage and cost discipline.

On a pigment-only consolidated basis, ONE Sudarshan reported sales of ₹3,119 Crore in FY25. Gross margins improved by 3.5 percentage points to 47.8%, highlighting early success in integrating Heubach's high-margin portfolio. Adjusted EBITDA grew 39.3% to ₹418 Crore, maintaining margins at 13.4%. PBT before exceptional items was up 69.1% to ₹252 Crore, demonstrating the potential of the unified pigment platform.

Financial ratios also reflected the integration dynamics. Earnings per share rose to ₹22.5 in FY25, compared to ₹16.0 in FY24. Adjusted return on capital employed stood at 10.3%, slightly lower than FY24 due to higher capital deployment for the acquisition. Net debt increased to ₹652 Crore, with the debt-to-equity ratio stable at 0.3, indicating a balanced capital structure. Net working capital as a percentage of sales rose to 25.1%, reflecting integration-linked adjustments, but remains under active optimization.

The Company has launched a comprehensive value-creation plan targeting synergies in procurement, operations, SG&A efficiencies, IT integration, and the management expects these initiatives to yield meaningful gains in the medium term.

Particulars	Standalone		Consolidated	
	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025
Income from Operations	2,141	2,534	2,539	3,346
Other Income	17	30	17	33
Total Income	2,158	2,564	2,556	3,379
Earnings before exceptional item, interest, tax and depreciation and amortisation (EBITDA) (Excluding other income)	275	351	316	381
Profit before tax and exceptional items	127	212	155	203
Add: Exceptional Item	312	-18	315	-104
Profit before tax	439	194	470	99
Less: Tax Expense	104	53	113	39
Profit after tax	335	141	357	60

Key Ratios (Consolidated) <sup>1</sup>	FY24	FY25
Return on Capital Employed (ROCE) <sup>2</sup>	11.7%	10.3%
Net debt to Equity Ratio <sup>3</sup>	0.3	0.3
Current Ratio	1.4	2.1
Earnings Per Share <sup>4</sup>	16.0	22.5
Operating Profit Margin	12.46%	11.39%
Net Profit Margin <sup>4</sup>	4.4%	4.9%
Debt Service Coverage Ratio <sup>5</sup>	1.62	1.96
Interest Coverage Ratio	8.9	8.5
NWC % to Sales	20.1%	25.1%

1. Ratios for ONE Sudarshan covering legacy Sudarshan entities including Rieco and Acquired group.

2. Revenue and EBIT for Legacy Sudarshan taken at actual for FY25 and Mar-25 result annualised for the Acquired group.

3. Debt is net of short-term investment and cash & cash equivalents.

4. Excluding profit/loss from exceptional and extraordinary items.

5. Debt obligations exclude prepayments out of proceeds from exceptional items.

## People and Culture

At Sudarshan, people are at the heart of everything we do. We view our employees as socially responsible citizens who can meaningfully contribute to the communities around them. Our culture is rooted in the belief that every individual has the power to make a difference by sharing their skills, knowledge, and resources.

As of 31<sup>st</sup> March, 2025, ONE Sudarshan's combined workforce stood at 3,912 employees.

Attrition remained steady at 13.08%, closely aligned with the chemical industry benchmark, underscoring talent stability through a period of transformation.

Learning and development remained a core focus, with 24,743 training man-hours delivered, covering 92% of employees. Technical and organizational training accounted for 82% of the portfolio, while integration-specific programs on ONE Sudarshan's purpose and values engaged nearly 3,000 employees across 22 locations.

For FY26, priorities include strengthening performance management, scaling leadership and technical capability building, enhancing engagement, and advancing succession planning. In addition, Sudarshan is implementing a harmonized global job architecture and focusing on forward-looking organisational structures, external competitiveness, and long-term talent development. Together, these initiatives will reinforce our vision of building a collaborative, future-ready workforce.

## Risks and Concerns

### 1. Risk Framework and Assessment

Sudarshan operates across diverse geographies, exposing itself to a broad spectrum of risks, which are

proactively monitored, assessed, and mitigated through a comprehensive Enterprise Risk Management (ERM) framework. This framework is designed to identify uncertainties within the business environment and implement effective mitigation strategies to address them.

Sudarshan recognises potential risks stemming from various sources, including industry-specific challenges, sustainability concerns, operational disruptions, financial exposures, and cyber/information security threats. Effective risk management and the agility to seize emerging opportunities are integral to its strategic approach.

Risk assessments are conducted by evaluating both the potential impact and the likelihood of occurrence over various time horizons. The ERM team actively monitors current and emerging risks that could influence the achievement of strategic and operational objectives.

This structured risk management approach is closely aligned with Sudarshan's values and forms a core component of its overall business model, reinforcing its resilience and long-term sustainability.

### 2. Risk Management

Sudarshan's risk management framework is overseen by the Board of Directors, with dedicated supervision by the Risk Management Committee, established in accordance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The primary mandate of the Committee is to review its risk management strategy and ensure that key risks are effectively managed within defined risk tolerance levels.

The risk management system comprises a formalised Risk Management Policy and a dynamic Risk Register, both of which are regularly reviewed and updated in response to changes in the operating environment and business activities.

To ensure robustness, independent assessments of Sudarshan’s risk management controls and procedures are conducted annually.

The outcomes of these assessments are presented to the Risk Management Committee twice a year for review.

In addition, Sudarshan maintains a comprehensive insurance programme aimed at mitigating insurable risks and safeguarding against potential catastrophic losses, further strengthening its overall risk preparedness.

BOARD OF DIRECTORS	Ultimate responsibility for managing risks
RISK MANAGEMENT COMMITTEE	Reviewing Sudarshan’s risk management strategy and ensuring that risks are managed within acceptable bounds are the Committee’s major objectives.
DEPARTMENT HEADS	Operational risk management
ENTERPRISE RISK MANAGEMENT TEAM	Alignment and coordination of risk management activities (risk identification, risk register updates, mitigation plan tracking)

Going forward, we will extend the same mechanism for ONE Sudarshan to ensure that we continue to have effective and robust risk management framework.

## Internal Control Systems and their Adequacy

Sudarshan believes that Internal Control is one of the key pillars of governance, which provides freedom to the management within a framework of appropriate checks and balances.

It has developed and established a robust internal control framework that considers the nature, size, and risks that could hinder it from achieving its objectives. Adequate internal control systems and reasonable assurances on authorizing, recording and reporting transactions in its operations are in place.

Sudarshan had already developed and implemented a framework to ensure internal controls over financial reporting. This framework includes entity-level policies, processes and operating-level standard operating procedures (SOPs). Internal control systems are integral to the Company’s Corporate Governance structure.

Information Technology (IT) policies and processes are key to achieving these objectives. The application systems and business processes are continuously improved by adopting best-in-class processes and automation and implementing the latest IT tools, which further help maintain financial and commercial discipline.

The entire control framework is designed to provide reasonable assurance about the credibility of data and compliance, inter-alia:

- Recording and providing reliable financial and operational information
- Complying with the applicable statutes
- Safeguarding assets from unauthorized use
- Executing transactions with proper authorization and ensuring compliance with corporate policies
- Prevention and detection of frauds and errors
- Continuous updating of IT systems

The Management has assessed the effectiveness of the Company’s internal control over financial reporting as of 31st March, 2025. Sudarshan appointed Price Waterhouse Coopers (PWC) to assess the effectiveness of its internal financial controls. Their assessment was based on an internal audit plan, reviewed in consultation with the Audit Committee, and found to be adequate and commensurate with the scale of operation.

The Audit Committee reviewed the reports submitted by the Management and Internal Auditors. Based on their evaluation (as defined in Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, 2015), the Company’s Audit Committee has concluded that, as of 31st March, 2025, the Company’s internal financial controls were adequate and operating effectively.

## Environmental, Social and Governance (ESG)

Sudarshan's ESG approach is aligned with global frameworks including GRI, SBTi, BRSR, and the UN Global Compact, ensuring compliance with international standards while advancing stakeholder value creation.

On the environmental front, Sudarshan is dedicated to reducing its carbon footprint through energy efficiency, operational improvements, and exploring renewable energy sources. In FY25, 80% of R&D investments were directed toward technologies that improve environmental and social outcomes, including reducing persistent organic pollutants (POPs), enhancing solvent recovery, and improving yields.

Sudarshan's social initiatives reflect its commitment to inclusive growth and employee well-being. The Company has been certified as a Great Place to Work, recognizing its diverse, inclusive, and multi-generational talent base. Its CSR programs reached over 1,20,000 lives in FY25, focusing on education, healthcare, women's empowerment, and environmental initiatives. Employee engagement in CSR is actively encouraged, with 828 employees contributing 1,919 volunteering hours in FY25 through structured programs in health, education, and community development.

Governance remains central to Sudarshan's ESG framework. A robust three-tier governance model, led by the Board, an ESG Steering Committee, and functional working groups, ensures accountability, compliance, and alignment with stakeholder priorities. Regulatory adherence is reinforced through regular cybersecurity audits and penetration testing.

Sudarshan also upholds global best practices through its participation in the Responsible Care® Initiative, with Roha and Mahad sites compliant with ISO 14001, ISO 45001, ISO 9001, and ISO 27001 standards.

The Company continues to benchmark its performance globally. It holds a Gold rating from EcoVadis, placing it in the top 3 percentile of assessed companies, and secured 'B' ratings in both Climate Change and Water Security from CDP. In addition, Sudarshan achieved an S&P Global ESG Score of 55 in 2024, placing it in the 85th percentile among global chemical industry peers.

Looking ahead, Sudarshan is embedding sustainability across its expanded global footprint following the Heubach integration. Harmonization of ESG systems across sites is underway, covering compliance, energy optimization, procurement, and cross-site reporting. This initiative marks a significant step in transforming ONE Sudarshan into a benchmark for responsible and sustainable leadership within the global pigment industry.

## Cautionary Statement

Under the applicable securities laws and regulations, certain comments within 'Management Discussion and Analysis' that describe the Company's goals, plans, estimates, expectations, or predictions may be considered 'forward-looking statements.' The Company's operations are influenced by several internal and external factors beyond its control. Therefore, even though the expectations are based on reasonable assumptions, the actual results may materially differ from those stated or indicated. The Company denies any obligation to update forward-looking statements in the public domain in light of new information, future developments, or other factors.

# DIRECTORS'

# REPORT FY 2024-25

Your Directors are pleased to present the 74<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2025.

The annexed Financial Statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

## 1. Financial Highlights:

(₹ in Lakhs)

Particulars	FY 2024-25	FY 2023-24
<b>Revenue from Operations</b>	<b>253,394.5</b>	<b>214,142.9</b>
Earning Before Interest, Tax, Depreciation, Amortisation and Exceptional Item	38,134.4	29,250.5
Less : Interest	2,829.6	2,870.7
Less : Depreciation	14,069.8	13,689.3
Add: Exceptional Gain / (Loss)	(1,821.4)	31,166.0
Less : Provision for Tax	5,316.2	10,344.1
<b>Total Profit After Tax</b>	<b>14,097.4</b>	<b>33,512.4</b>
Other Comprehensive Income	1,133.1	(269.9)
<b>Total Comprehensive Income</b>	<b>15,230.5</b>	<b>33,242.5</b>
Add : Surplus Brought Forward	88,677.8	58,836.7
Transfer from OCI to Hedge Reserve	(1,406.3)	129.2
Transfer from Share Options (ESOP) Outstanding Reserve	215.4	0.0
<b>Net Profit available for appropriation</b>	<b>102,717.4</b>	<b>92,208.4</b>
<b>Appropriation</b>		
Interim Dividend	(692.3)	(2,492.2)
Final Dividend	-	(1,038.4)
<b>Surplus to be carried forward</b>	<b>102,025.1</b>	<b>88,677.8</b>

## 2. (A) FINANCIALS:

Revenue from operations for the year ended 31<sup>st</sup> March, 2025 aggregated to ₹253,394.5 lakhs as against ₹214,142.9 lakhs achieved during the previous year. Profit after tax for the year ended 31<sup>st</sup> March, 2025 is ₹14,097.4 lakhs as against ₹33,512.4 lakhs earned during the previous year.

For Subsidiary Companies' performance please refer to **Annexure II**.

On a Consolidated basis, your Company's Total Income for the year ended 31<sup>st</sup> March, 2025 stood at

₹337,898.8 lakhs, as compared to ₹255,586.3 lakhs in Financial year 2023-24.

During the year under review, your Company has delivered a robust financial and operational performance on Revenue and EBITDA margins. On a group level, highest ever EBITDA was achieved. The group has adjusted EBITDA of ₹38,102 Lakhs during the current financial year compared to ₹31,641 Lakhs in previous year while acquired group adjusted EBITDA achieved at ₹2,200 Lakhs. Total adjusted EBITDA for FY 2024-25 for group stood at ₹40,200 Lakhs.

On a standalone basis, highest ever EBITDA was achieved. Company has reported EBITDA ₹35,089 Lakhs during the current financial year compared to ₹27,511 Lakhs in previous year. This business performance is result of our overall strategy on building the Company's core pillars towards which your Company was working for past few years.

#### (B) EXPORTS:

Your Company continues to focus on export markets. Initiatives are directed towards engaging with overseas markets with a view to testing and demonstrating international competitiveness and seeking profitable opportunities for growth. During the year under review, export revenue of pigment business has grown by 32%. Your Company continues to remain watchful towards international geographies considering ongoing geo-political issues.

#### (C) OPERATIONS:

Information on the operations of the Company and details on state of affairs of the Company are covered in the Management Discussion and Analysis Report.

#### (D) CAPACITY EXPANSION:

During the year, the Company continued its expansion plans and has incurred capex spend of ₹1,107.4 Lakhs. This capital expenditure is primarily aimed at augmenting production capacities at Roha and Mahad facilities.

#### (E) ACQUISITION OF THE GLOBAL PIGMENT BUSINESS OPERATIONS OF HEUBACH GROUP:

Sudarshan Europe B.V., Wholly Owned Subsidiary of the Company had entered into a definitive agreement on 11<sup>th</sup> October, 2024 for the acquisition of Global Pigment Business Operations of Heubach Group through a combination of an asset and share deal, subject to completion of customary conditions and receipt of requisite regulatory approvals. The said acquisition was completed on 3<sup>rd</sup> March, 2025 for a preliminary purchase consideration of approx. ₹138,990.0 lakhs.

The acquisition comprises of the acquisition of (a) Assets and business operations of (i) Heubach Colorants Germany GmbH, (ii) Heubach GmbH (iii) Dr. Hans Heubach GmbH and (iv) Heubach Group GmbH and participations held by Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG) in downstream Group Companies in various countries; and (b) 100% shareholding of Sudarshan Lux Holding S.a.r.l (formerly known as Heubach Holding S.a.r.l) a Luxemburg based Heubach Group Company having investments in shareholding of companies based in India and USA.

Pursuant to the acquisition related agreements, the acquisition of assets, business operations and shares were interdependent and were executed together to acquire

the entire business operations of the Heubach Group. This acquisition is a strategic move aimed at consolidating market expertise and expanding global reach in the pigment industry.

Consequent to the said acquisition, the Group now consists of 58 subsidiaries (including step-down subsidiaries) and 2 joint venture companies. Further as a result of this acquisition, Sudarshan Europe B.V., Wholly Owned Subsidiary has indirectly acquired 54.36% shareholding in Heubach Colorants India Limited, an entity listed on BSE Limited and National Stock Exchange of India Limited. As per the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, Sudarshan Europe B.V. is in a process of acquiring upto 6,001,268 Equity Shares of Face Value ₹10/- each, representing 26% of the voting share capital of Heubach Colorants India Limited.

The said acquisition was funded by combination of equity and debt. Details of funds raised by the Company through issuance of Equity Shares are given in Point No. 4.(A) of this Report.

#### (F) HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES:

Shareholders are requested to refer **Annexure II** for highlights of performance of subsidiaries associates and joint venture companies and their contribution to the overall performance of the Company during the year under review.

As on 31<sup>st</sup> March, 2025, the Company has 58 subsidiaries (including step-down subsidiaries) and 2 joint venture companies. Pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the names of the companies which have been incorporated or ceased to be the subsidiaries, or associate companies during the year under review are provided in **Annexure II**.

During the year under review, the Company entered into the agreement for sale of its entire investment (in the form of Equity Shares) in Sudarshan Japan Limited, Wholly Owned Subsidiary of the Company to Sudarshan Europe B.V., another Wholly Owned Subsidiary of the Company on 25<sup>th</sup> March, 2025.

As a result of this transaction, Sudarshan Japan Limited has ceased to be a Wholly Owned Subsidiary and has become a Step - Down Subsidiary of the Company.

### 3. Dividend

The Board of Directors at its meeting held on 6<sup>th</sup> March, 2024 declared an Interim Dividend of ₹3.60/- (Three Rupees and Sixty Paise only) per Equity Share of ₹2.00/- each (180%), which was paid to the eligible Shareholders within the statutory timelines. The Board of Directors at

its meeting held on 17<sup>th</sup> May, 2024, recommended a Final Dividend of ₹1.00/- (One Rupee only) per Equity Share of ₹2.00/- each (i.e. 50%) for FY 2023-24, which was approved by the Shareholders at the 73<sup>rd</sup> Annual General Meeting. The Interim Dividend along with the recommended Final Dividend aggregated to a total Dividend of ₹4.60/- (Four Rupees and Sixty Paise only) per Equity Share of ₹2.00/- each (230%) for the Financial Year 2023-24. The aforesaid Interim and Final Dividend was paid to the eligible Shareholders within the statutory timelines.

The Board of Directors at its meeting held on 25<sup>th</sup> July, 2025, recommended a Final Dividend of ₹4.50/- (Four Rupees and Fifty Paise only) per Equity Share of ₹2.00/- each (i.e. 225%), which shall be paid within statutory timelines after receipt of approval of Shareholders at the ensuing 74<sup>th</sup> Annual General Meeting on or before 20<sup>th</sup> October, 2025.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of Shareholders. The Company shall accordingly make the payment of Final Dividend after deduction of tax at source.

The dividend payout is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy is provided as **Annexure III** to this Report, and is also available on the website of the Company <https://www.sudarshan.com/dividend-distribution-policy.pdf>

#### 4. (A) SHARE CAPITAL:

During the year under review, the Authorized Capital of the Company was increased from ₹15,00,00,000/- (Rupees Fifteen Crores Only) divided into 7,50,00,000 (Seven Crore Fifty Lakh only) equity shares of ₹2/- (Rupees Two only) each to ₹20,00,00,000/- (Rupees Twenty Crores Only) divided into 10,00,00,000 (Ten Crore Only) equity shares of ₹2/- (Rupees Two only) each ranking pari-passu with the existing equity shares of the Company. The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2025 was ₹1,571.5 Lakhs. Based on the approval accorded by the Board of Directors, Committee of the Board of Directors and Shareholders of the Company, the Company carried out a fund raising exercise as explained below:

##### **Fund raising through Preferential Issue ('PI')**

On 13<sup>th</sup> December, 2024, the Company made allotment of 9,80,000 Warrants each convertible into, or exchangeable for 1 (one) fully paid up equity share of the Company of face value of ₹2 each, which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (Eighteen) months

to Mr. Rajesh Balkrishna Rathi, Member of the Promoter and Promoter Group at a price of ₹1,019.75 (Including premium of ₹1,017.75 per Warrant) for cash consideration not exceeding ₹9,993.55 Lakhs.

On 13<sup>th</sup> January, 2025, the Company made allotment of 18,69,000 fully paid-up equity shares of face value of ₹2 each at a price of ₹1,043.33 (including premium of ₹1,041.33) per equity share aggregating to approximately ₹19,499.84 Lakhs, to the identified investors, not belonging to "Promoter and Promoter Group" of the Company by way of a preferential issue of Equity Shares on private placement basis, for cash consideration, in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

##### **Fund raising through Qualified Institutions Placement ('QIP')**

On 29<sup>th</sup> January, 2025, the Company made allotment of 74,76,635 fully paid up equity shares of face value of ₹2 each at a price of ₹1,070 per equity share (including premium of ₹1,068 per equity share), representing a discount of ₹37.89 to the floor price of ₹1,107.89 per equity share, to the eligible Qualified Institutional Buyers aggregating to approximately ₹799,99.99 Lakhs, in accordance with the provisions of Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Except above, there was no public issue, rights issue, bonus issue during the year. The Company has not issued shares with differential voting rights or sweat equity shares.

#### (B) NON - CONVERTIBLE DEBENTURES:

The Board of Directors at its meeting held on 28<sup>th</sup> March, 2022, had accorded its approval for issue of unsecured non-convertible debentures on private placement basis upto ₹20,000 Lakhs, in one or more tranches / series, subject to approval of Shareholders. Approval of Shareholders by way of Special Resolution through Postal Ballot was received on 13<sup>th</sup> May, 2022. The Finance Committee of the Board of Directors vide its resolution dated 18<sup>th</sup> July, 2022, approved allotment of 990 (Nine Hundred and Ninety only) Unsecured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures ("NCDs") with face value of ₹1,000,000/- each on private placement basis. The said NCDs are listed on the Wholesale Debt Market Segment of BSE Limited effective 21<sup>st</sup> July, 2022 (ISIN: INE659A08036; BSE Scrip Code: 974058).

Further, on 18<sup>th</sup> July, 2025 the NCDs were redeemed in full.

**5. TRANSFER TO RESERVE:**

As permitted by the Companies Act, 2013, and Rules made thereunder, the Directors do not propose to transfer any amount to the General Reserve for FY 2024-25.

**6. FIXED DEPOSITS:**

During the year under review, the Company has not accepted any deposit from the public / members pursuant to Section 73 and Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time, and hence as on 31<sup>st</sup> March, 2025, there are no deposits outstanding, except as required statutorily and which have remained unclaimed at the end of the year under review.

**7. DIRECTOR'S RESPONSIBILITY STATEMENT:**

As required under Section 134(3)(c) of the Companies Act, 2013, Directors of the Company, to the best of their knowledge and belief with respect to FY 2024-25, state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit and loss of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

**8. CORPORATE GOVERNANCE:**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") a separate chapter titled 'Report on Corporate Governance' has been included in this Annual Report,

along with the reports on the Management Discussion and Analysis and Shareholders' Information.

The Managing Director and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as specified under the SEBI Listing Regulations.

A certificate from a Practicing Company Secretary regarding compliance with the conditions of corporate governance is given separately in this Annual Report.

**9. MANAGEMENT DISCUSSION ANALYSIS:**

A Management Discussion and Analysis Report covering a wide range of issues relating to industry trends, Company Performance, Business and Operations is given separately in the Annual Report.

**10. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:**

Regulation 34(2) of the SEBI Listing Regulations, 2015, as amended, inter alia, provides that the annual report of the top 1000 listed entities based on market capitalisation (calculated as on 31<sup>st</sup> March of every financial year), shall include a Business Responsibility and Sustainability Report ("BRSR").

Since the Company is amongst the top 1000 listed entities as on 31<sup>st</sup> March, 2025, the Company has presented its BRSR for FY 2024-25, which forms part of this Annual Report.

**11. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis, which were approved by the Audit Committee. The Board has approved a policy for related party transactions which is available on the Company's website at <https://www.sudarshan.com/related-party-transaction-policy.pdf>

The particulars of contracts or arrangements made with related parties pursuant to Section 188 is covered in Notes to the Financial Statements and material contracts / arrangements made with related parties is given in Form AOC-2 which is attached as **Annexure IV** to this report. None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosure set out in Notes to Financial Statements forming part of the Annual Report.

The particulars of loans / advances / investments etc., required to be disclosed pursuant to Para A of Schedule V of the SEBI Listing Regulations, 2015, are furnished as a part of the Financial Statements.

The transaction(s) of the Company with any person or entity belonging to the promoter / promoter group which hold(s) more than 10% shareholding in the Company as required pursuant to Para A of Schedule V of the SEBI Listing Regulations, 2015 is disclosed separately in the Financial Statements of the Company.

Prior omnibus approval of the Audit Committee was obtained for all related party transactions which were foreseen and repetitive in nature as well as for transactions which were not foreseen and details of which were not available, upto the limits as specified in the Companies Act, 2013 and SEBI Listing Regulations, 2015.

There were no Material Related Party Transactions entered into by the Company or its subsidiaries requiring approval of the Members of the Company in terms of Regulation 23 of the SEBI Listing Regulations, 2015 and Section 188 of the Companies Act, 2013.

## 12. AUDIT COMMITTEE:

Pursuant to the provisions of Section 177 of the Companies Act, 2013, and Rules made thereunder and Regulation 18 of the SEBI Listing Regulations, 2015, the Company has in place an Audit Committee.

As on 31<sup>st</sup> March, 2025, the composition of the Audit Committee is as under -

- a) Mrs. S. P. Navandar - (Non-Executive and Independent Director) Chairperson
- b) Mr. N. T. Raisinghani - (Non-Executive and Independent Director) Member
- c) Ms. B. Batra - (Non-Executive and Independent Director) Member

Changes in Audit Committee Members

Mrs. S. A. Panse ceased to be a Chairperson of the Audit Committee and Mr. D. N. Damania, Mr. S. Padmanabhan and Mr. S. K. Asher ceased to be Members of the Audit Committee effective close of business hours on 2<sup>nd</sup> August, 2024.

Mr. S. P. Navandar was appointed as a Chairperson and Mr. N. T. Raisinghani and Ms. B. Batra were appointed as Members of the Audit Committee effective close of business hours on 2<sup>nd</sup> August, 2024.

All recommendations made by the Audit Committee were deliberated and accepted by the Board during FY 2024-25.

Details of the current committee members are also available on website of the Company at [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.sudarshan.com/Composition%20of%20Committees%20and%20KMP-new.pdf](https://www.sudarshan.com/Composition%20of%20Committees%20and%20KMP-new.pdf).

## 13. OTHER COMMITTEES OF THE BOARD

The following Committees constituted by the Board to effectively cater its duties towards diversified role under the Companies Act, 2013 and the SEBI Listing Regulations, 2015:

- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Details of composition, terms of reference and number of meetings held in FY 2024-25 for the aforementioned committees are given in the Report on Corporate Governance, which forms a part of this Report.

## 14. CORPORATE SOCIAL RESPONSIBILITY:

The Company has in place a Corporate Social Responsibility ("CSR") Committee constituted as per the provisions of Section 135 of the Companies Act, 2013, and Rules made thereunder, details of which are mentioned in the Report on Corporate Governance forming part of this Annual Report. The Company has been carrying out various CSR activities in the areas specified in terms of Section 135 read with Schedule VII of the Companies Act, 2013, and Rules made thereunder. The details of CSR activities undertaken by the Company are annexed herewith as **Annexure V**. The CSR Policy of the Company is available on the Company's website at [https://www.sudarshan.com/corporate-sustainability-\(csr\)-policy.pdf](https://www.sudarshan.com/corporate-sustainability-(csr)-policy.pdf)

CSR Policy in brief: The focus of the CSR activities is on women empowerment, environment, health, community development, and education etc., and the projects would be planned and implemented accordingly.

The Company shall spend at least 2% (two per cent) of the average net profits, calculated in accordance with the provisions of the Companies Act, 2013, and Rules made thereunder, made by it in the three immediately preceding financial year. The Annual Report on CSR activities is annexed herewith as **Annexure V**.

## 15. RISK MANAGEMENT AND CONTROL:

The Company has put in place appropriate risk assessment and minimisation procedures, which are reviewed by the Risk Management Committee, Audit Committee and the Board. As per the requirements of SEBI Listing Regulations, 2015, a Risk Management Committee has been constituted with responsibility of preparation of Risk Management Plan, reviewing and monitoring the same on regular basis, to identify and review critical risks on regular basis, to report key changes in critical risks to the Board on an ongoing basis, to report critical risks to Audit Committee

in detail on yearly basis and such other functions as may be prescribed by the Board. The Committee is supported by an Enterprise Risk Management ("ERM") team which provides advice on various risks and the appropriate governance framework and ensures that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Committee holds meetings periodically where gap between two meetings does not exceed 210 days and that at least two meetings are held in a financial year. The risks faced by the Company and their minimization procedures are assessed periodically.

According to Section 134(5)(e) of the Companies Act, 2013, and Rules made thereunder, the term Internal Financial Control ("IFC") means the policies and procedures adopted by the Company 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. The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures ("SOPs") and audit and compliance checks by the Statutory Auditors and the Internal Auditor. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board. To further strengthen the compliance processes, the Company has an internal compliance tool for assisting statutory compliances. This process is automated and generates alerts for proper and timely compliance. Risk Management Policy is available on the Company's website at <https://www.sudarshan.com/risk-management-policy.pdf>

Details of the Risk Management Committee are given in the Report on Corporate Governance.

## 16. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on appointment of Directors, including criteria for determining qualifications, positive attributes, independence of a Director is available on the website of the Company at <https://www.sudarshan.com/perch/resources/remuneration-policy.pdf>. The policy on Remuneration and other matters provided in Section 178(3) of the Act, is available on <https://www.sudarshan.com/perch/resources/remuneration-policy.pdf>.

During the year under review, the managerial remuneration paid to the Directors and Key Managerial Personnel was in terms of the provisions of the Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations, 2015 and the terms of approval granted by the Shareholders for payment of Managerial Remuneration, as the case may be.

Further, as per the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, as amended from time to time, and Regulation 17(6)(e) of SEBI Listing Regulations, 2015, approval of the Shareholders by way of Special Resolution was accorded at the 73<sup>rd</sup> Annual General Meeting for payment of remuneration to Mr. R. B. Rathi (DIN: 00018628), Managing Director, in excess of ₹5 Crores or 2.5% of the net profits of the Company, whichever is higher, during the remaining tenure of his appointment upto 31<sup>st</sup> May, 2028 which shall not exceed the limits specified in the applicable provisions of The Companies Act, 2013 and Rules made thereunder, read with Schedule V appended to the Act.

## 17. CHANGES IN DIRECTORS AND KEY MANAGEMENT PERSONNEL:

### During the year under review:

- a. Mr. P. R. Rathi (DIN: 00018577), Non-Executive and Non-Independent Director, was liable to retire by rotation, and being eligible, had offered himself for the re-appointment at the 73<sup>rd</sup> Annual General Meeting held on 2<sup>nd</sup> August, 2024. Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of Shareholders was accorded at the 73<sup>rd</sup> Annual General Meeting for re-appointment of Mr. P. R. Rathi as a Non-Executive and Non-Independent Director, liable to retire by rotation.
- b. Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. B. Batra (DIN: 03502004), Mrs. A. A. Wakhlu (DIN: 00122052) and Mrs. S. P. Navandar (DIN: 02804964) were appointed as Non-Executive and Independent Directors, not liable to retire by rotation for a term of 5 years effective from 2<sup>nd</sup> August, 2024 to 1<sup>st</sup> August, 2029, which were also approved by the Shareholders at the 73<sup>rd</sup> Annual General Meeting held on 2<sup>nd</sup> August, 2024.
- c. Mr. D. N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. S. K. Asher (DIN: 00008221), and Mrs. R. F. Forbes (DIN: 00137326), ceased to be Non-Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as Independent Directors of the Company.

- d. Mr. A. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025.
- e. Subsequent to the financial year ended on 31<sup>st</sup> March, 2025, Mr. P. R. Rathi (DIN: 00018577) resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025.
- f. Consequently, the Board, at its meeting held on 29<sup>th</sup> May, 2025, appointed Mr. R. B. Rathi, to act as a Chairman of the Company effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role of Managing Director.

As per the provisions of Section 152 of the Companies Act, 2013, and Rules made thereunder and as per the Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, Mr. A. Vij (DIN: 08140194) Wholetime Director of the Company retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking Shareholders' approval for his re-appointment forms part of Notice of the 74<sup>th</sup> Annual General Meeting.

During the year under review, the Non-Executive Directors of the Company had no material pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company. The Board has made the recommendation for the above appointment(s) / re-appointment(s) of Directors based on the recommendation of the Nomination and Remuneration Committee ("NRC"). NRC has made its recommendation after ensuring that none of the Directors seeking appointment(s) / re-appointment(s) is debarred from holding the position of a Director by virtue of any Order from SEBI, The Ministry of Corporate Affairs ("MCA") or any other Regulatory Authority. The Board is of the opinion that the Independent Directors appointed / re-appointed / proposed to be appointed are of integrity and possess the requisite expertise and experience (including the proficiency). Details of the Directors seeking appointment(s) / re-appointment(s) including profile of such Directors, are given in the Notice convening the 74<sup>th</sup> Annual General Meeting of the Company.

#### **KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 203 of the Companies Act, 2013, and Rules made thereunder, following are the Key Managerial Personnel of the Company for the year ended 31<sup>st</sup> March, 2025:

- a. Mr. R. B. Rathi, Chairman and Managing Director (Mr. R. B. Rathi was appointed as a Chairman effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role of Managing Director)
- b. Mr. A. Vij, Wholetime Director
- c. Mr. Nilkanth Natu, Chief Financial Officer
- d. Mr. Mandar Velankar, General Counsel and Company Secretary

#### **18. DECLARATION BY INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015.

The Independent Directors have also confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. There has been no change in the circumstances affecting their status of Independent Directors of the Company. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and qualification of Directors) Rules, 2014, as amended from time to time, with respect to their name appearing in the data bank of Independent Directors maintained by 'The Indian Institute of Corporate Affairs, Manesar' ("IICA") and that they are exempt / have cleared the Online Proficiency Assessment Test, as applicable.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence. List of key skills, expertise and core competencies of the Board, including the Independent Directors forms part of the Report on Corporate Governance.

The Board has also laid down a Code of Conduct for Independent Directors pursuant to Section 149(8) read with Schedule IV of the Act, which is a guide to professional conduct for Independent Directors of the Company. All Independent Directors have affirmed compliance with this Code for the FY 2024-25.

#### **Annual Evaluation of Board of Directors, its Committees and Individual Directors:**

The Board of Directors upon recommendation of the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors, and accordingly, an annual evaluation of the performance of

the Board, Committees and individual Directors has been carried out pursuant to the provisions of the Act and SEBI Listing Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5<sup>th</sup> January, 2017.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Director.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At a separate Board Meeting, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. The Directors were satisfied with the evaluation results, which reflected the overall commitment and sense of duty. The Board has also adopted a Board Diversity Policy. The policies of Board diversity and performance evaluation of Directors of the Company can be accessed from the company's website at <https://www.sudarshan.com/board-diversity-remuneration-and-succession-policy.pdf>

#### 19. EMPLOYEE STOCK OPTION:

"Sudarshan Employee Stock Option Plan 2018 ("Sudarshan ESOP Plan 2018 / Plan")" and "Sudarshan Employee Stock Option Scheme 2018 ("Sudarshan ESOP Scheme 2018 / Scheme")" were approved based on the approvals accorded by the Nomination and Remuneration Committee and Board of Directors dated 27<sup>th</sup> June, 2018 and approval accorded by the Shareholders at the 67<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> August, 2018. The Plan and Scheme were introduced pursuant to provisions of SEBI (Share Based Employee Benefits) Regulations, 2014.

In 2021, SEBI introduced new Regulations viz. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, for regulating the ESOP Schemes. Therefore, an approval of Shareholders at the 73<sup>rd</sup> Annual General Meeting for making consequential amendments / changes for implementation of Sudarshan ESOP Plan 2018 was obtained in terms of the aforesaid SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the year under review, the Nomination and Remuneration Committee did not approve any options / Stock Appreciation Rights ("SARs") to eligible employees.

During the financial year under review, there were no material changes in the Employee Stock Option Plan of the Company and the Plan is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. Ms. Ruchi Bhawe, Secretarial Auditor of the Company has reviewed and certified that the Plan of the Company has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the Members for the respective Plan. A copy of the compliance certificate will be placed at the ensuing AGM for inspection by the Members.

Disclosures pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are given in the Notes to Accounts section of this Annual Report.

#### 20. INDUSTRIAL RELATIONS:

Industrial relations continue to remain cordial at Roha and Mahad plants and at R & D Laboratory situated at Ambadvet (Sutarwadi), Dist. Pune. The Board of Directors records its appreciation of the commitment and support of employees at all levels.

#### 21. FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Company believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly and effectively discharge its role of trusteeship in a manner that fulfills stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment and on matters affecting the Company. The details of the programmes are placed at <https://www.sudarshan.com/bpd-familiarisation-of-independent-directors.pdf>

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

Pursuant to the provisions of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has complied with

the provisions relating to the constitution of the Internal Complaints Committee under the said Act. During the year under review, two complaints were received by the Internal Complaints Committee. Both of these complaints were redressed during the year. To build awareness amongst its employees, the Company has been conducting induction/training programmes in the organisation on a continuous basis.

The Company has the Policy on Prevention of Sexual Harassment at Workplace which is available on the website of the Company at <https://www.sudarshan.com/policy-on-prevention-of-sexual-harassment-at-workplace.pdf>

Pursuant to the provisions of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', Annual Report for Calendar Year 2024 was submitted for all locations of the Company within the statutory timelines.

Further, below is the status of complaints received under 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of Complaints
1.	Number of Sexual Harassment Complaints received during FY 2024-25	2
2.	Number of Sexual Harassment Complaints disposed off during FY 2024-25	2
3.	Number of Sexual Harassment Complaints pending beyond 90 days	Nil

### 23. AUDITORS AND AUDITORS' REPORT:

Pursuant to the provisions of Section 139, 142 of the Companies Act, 2013, and Rules made thereunder M/s. S R B C & CO LLP (Firm Registration No.: 324982E/E300003), Chartered Accountants, Pune, were appointed as Statutory Auditors of the Company for a term of 5 (Five) years i.e. from the conclusion of 71<sup>st</sup> Annual General Meeting upto the conclusion of the 76<sup>th</sup> Annual General Meeting to be held in year 2027. The notes on the Audited Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments. The Auditor's Report on Standalone Financial Statements does not contain any qualifications, reservations, adverse remarks or disclaimer. However, the Auditor's Report on Consolidated Financial Statements contain the following Qualifications-

"We draw your attention to the following paragraph included in the audit report of Heubach Colorants India Limited, a subsidiary of the Holding Company, issued by other auditors vide their report dated July 16, 2025, and reproduced by us as under:

We draw attention to Note 16 which describes that the Board of Directors is assessing the effect on the financial statements with respect to transfer of certain items of property, plant and equipment. Pending Management review and reconciliation, and in absence of an appropriate valuation of the aforesaid items, we are unable to comment on the consequential effects, if any, on the financial results.

The reply by the Management of Heubach Colorants India Limited to the Statutory Auditors' qualifications on consolidated financial statements is reproduced below, the contents of which are self-explanatory.

The Management of Heubach Colorants India Limited, a subsidiary of the company is assessing the appropriate course of action to evaluate the basis of valuation of certain items of property, plant and equipment. The Board of directors are unable to quantify the impact of aforesaid qualification on the financial statements of the company as the management of Heubach Colorants India Limited is evaluating various legal options to determine the appropriate course of action. As on the date of this report, the final resolution and its effects are pending."

### 24. COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board has appointed Mrs. Ashwini Kedar Joshi (Sole Proprietor), Cost Accountant, Pune (Registration No.: 102387) for conducting the cost audit of the Company for FY 2025-26.

Mrs. Joshi has confirmed that her appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013, and Rules made thereunder, and has also certified that she is free from any disqualifications specified under Section 141(3)(g) of the Companies Act, 2013, and Rules made thereunder, and has also certified that she is free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified by the Shareholders of the Company. Accordingly, resolution seeking Shareholders' ratification for remuneration to be paid to Cost Auditor is included in the Notice convening the 74<sup>th</sup> Annual General Meeting.

Further, the Board hereby confirms that the maintenance of cost records specified by the Central Government as per Section 148(1) of the Companies Act, 2013, and Rules made thereunder, is required and accordingly, such accounts / records have been made and maintained.

The Cost Auditors' Report for the Financial Year 2024-25 did not contain any qualifications, reservations, adverse remarks or disclaimer.

## 25. SECRETARIAL AUDIT AND SECRETARIAL STANDARDS:

The Secretarial Audit Report submitted by the Secretarial Auditor in the prescribed form MR - 3 is attached as **Annexure VI** and forms part of this report.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

### Secretarial Audit Report of Material Unlisted Subsidiary

Pursuant to Regulation 24(A) of SEBI Listing Regulations, a listed company is required to annex the secretarial audit report of its material unlisted subsidiary in India to its Annual Report. The Secretarial Audit Report of RIECO Industries Limited, a material unlisted Wholly Owned Subsidiary, in the prescribed form MR-3 has been annexed to this Report as **Annexure-VI** as per SEBI Listing Regulations, 2015. The Secretarial Audit was conducted by Mr. Rajesh Karunakaran, Proprietor, M/s. Rajesh Karunakaran & Co., Company Secretaries, (FCS: 7441, CP No. 6581) Pune, who was appointed as the Secretarial Auditor of RIECO Industries Limited for the Financial Year 2024-25. The said Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Company is compliant with the Secretarial Standard on Meetings of the Board of Directors ("SS-1") and Secretarial Standard on General Meetings ("SS-2"), issued by 'The Institute of Company Secretaries of India' ("ICSI").

## 26. INTERNAL AUDITORS:

PricewaterhouseCoopers Pvt. Ltd., Chartered Accountants, Pune, were appointed as Internal Auditors of the Company for the Financial Year 2024-25. As prescribed under Section 138 of the Companies Act, 2013, and Rules made thereunder, PricewaterhouseCoopers Pvt. Ltd. carried out the Internal Audit of the Company. The Internal Audit was completed as per the scope defined by the Audit Committee from time to time.

## 27. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013, and Rules made thereunder.

## 28. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

Your Company has clearly laid down policies, guidelines and procedures that form part of internal control systems, which provide for checks and balances. The Company

has maintained a proper and adequate system of internal controls. The system is designed to provide a reasonable degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations. The organisation is well structured and the policy guidelines are well documented with pre-defined authority where monetary decision is involved. Structured management information and reporting systems together with an exhaustive budgetary control process for all major operational activities form part of the overall control mechanism to ensure that requisite information related to all operations are reported and are available for control and review. The Company has established a well laid out policy to maintain the highest standards of environment, safety and health while maintaining operational integrity. This policy is strictly adhered to at all locations of the Company. The Company's internal control systems commensurate with the nature and size of its business operations. The Audit Committee of the Board of Directors regularly reviews the adequacy of internal control system.

The Company, with a view to encourage independent approach, has appointed a team of qualified professionals in the form of Internal Auditors duly supported by the Finance Department who conduct operational and system audits in accordance with an audit plan approved by the Audit Committee. Internal Auditors as part of their assignment, evaluate and assess the adequacy and effectiveness of internal control measures and the compliance with policies, plans and statutory requirements. The internal audit reports are reviewed at Audit Committee Meetings and appropriate action on the recommendations is initiated by the Management.

## 29. RESEARCH AND DEVELOPMENT:

The Company recognizes the need to have well equipped Research & Development ("R&D") facilities to meet customer requirements and developing cutting edge products. As a natural corollary, your Company continues to invest in a comprehensive R&D Programme leveraging its world-class infrastructure, benchmarked processes, state-of-the-art technology and a business focused R&D strategy.

The Company has spent ₹3,248.6 Lakhs during the year under review on R&D. Company's in-house R&D facilities are recognised by The Ministry of Science and Technology, New Delhi, on behalf of The Government of India.

Details related to Research and Development are mentioned in **Annexure I** to this Report.

Details of Expenditure incurred on Research and Development are as follows:

(₹ In Crores)		
Particulars	2024-25	2023-24
Capital	6.6	5.1
Recurring	25.9	25.0
<b>Total</b>	<b>32.5</b>	<b>30.1</b>

### 30. RECLASSIFICATION UNDER REGULATION 31A OF SEBI LISTING REGULATIONS, 2015:

Mr. Anuj Narayandas Rathi (5,447,620 equity shares held i.e. 6.93%), Mr. Narayandas Jagannath Rathi (437,650 equity shares held i.e. 0.56%), Mrs. Archana Anuj Rathi (nil equity shares held), Anuj Narayandas Rathi (HUF) (nil equity shares held) and NJR Finance Private Limited (nil equity shares held), belonging to the category of "Promoter and Promoter Group" of the Company, had each vide requests for reclassification dated 14<sup>th</sup> February, 2025 under Regulation 31A of SEBI Listing Regulations, 2015 requested the Company for reclassification to the "Public" category. The Board of Directors at its meeting held on 14<sup>th</sup> February, 2025 considered the aforesaid requests and were of the view that the aforesaid requests made were in compliance with the provisions of Regulation 31A of SEBI Listing Regulation, 2015. The Company received no objection / approval letters from the Stock Exchanges on 4<sup>th</sup> April, 2025. Further, approval of the Shareholders by way of an Ordinary Resolution was accorded on 24<sup>th</sup> May, 2025. Accordingly Mr. Anuj Narayandas Rathi, Mr. Narayandas Jagannath Rathi, Mrs. Archana Anuj Rathi, Anuj Narayandas Rathi (HUF) and NJR Finance Private Limited (collectively holding 5,885,270 equity shares i.e. 7.49%) have been reclassified from "Promoter and Promoter Group" category to "Public" category.

Mr. Pradeep Ramwilas Rathi (3,424,740 equity shares held i.e. 4.36%), Mr. Rahul Pradeep Rathi (3,023,859 equity shares held i.e. 3.85%) and Mrs. Subhadra Pradeep Rathi (nil equity shares held), belonging to the category of "Promoter and Promoter Group" of the Company, had each vide requests for reclassification dated 29<sup>th</sup> May, 2025 under Regulation 31A of SEBI Listing Regulations, 2015 requested the Company for reclassification to the "Public" category. The Board of Directors at its meeting held on 29<sup>th</sup> May, 2025 considered the aforesaid requests and were of the view that the aforesaid requests made were in compliance with the provisions of Regulation 31A of SEBI Listing Regulation, 2015. The Company received no objection / approval letters from the Stock Exchanges on 15<sup>th</sup> July, 2025. The Company is in process of seeking approval of Shareholders for reclassification of shares held by Mr. Pradeep Ramwilas Rathi, Mr. Rahul Pradeep Rathi and Mrs. Subhadra Pradeep Rathi (collectively holding 6,448,599 equity shares i.e. 8.21%) from "Promoter and Promoter Group" category to "Public" category.

### 31. DISCLOSURES:

#### Board and its Committees:

The details of the Board and its Committees are given in the Report on Corporate Governance.

#### Meetings of the Board:

During the Financial Year 2024-25, 9 (Nine) Board Meetings were held, details of which are given in the Report on Corporate Governance, which is a part of this Annual Report.

The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and Rules made thereunder.

#### Material changes and commitments if any, affecting the financial position of the Company:

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

#### Annual Accounts of Subsidiary Companies:

A copy of the Audited Financial Statements for each of the Subsidiary Companies for the year ended 31<sup>st</sup> March, 2025, wherever applicable, will be made available to the members of the Company seeking such information at any point of time and will also be available for inspection at the Registered Office of the Company during working hours till the date of the 74<sup>th</sup> Annual General Meeting. The same shall also be placed on the website at [www.sudarshan.com](http://www.sudarshan.com). The salient features of Financial Statements of Subsidiary Companies is given in **Annexure II** of this report.

RIECO Industries Limited and Sudarshan Europe B.V. are the Material Subsidiaries of the Company for the year ended 31<sup>st</sup> March, 2025. The Company has complied with all the legal requirements in respect of the Material Subsidiary.

In conformity with the provisions of the SEBI Listing Regulations, 2015, the Board has formulated a policy for determining "Material Subsidiaries". The Policy can be accessed from the Company's website <http://www.sudarshan.com/perch/resources/material-subsiarypolicy.pdf>

There has been no material change in the nature of the business of Subsidiaries.

#### Consolidated Financial Statements:

Your Company's Board of Directors is responsible for the preparation of the Consolidated Financial Statements of your Company and its Subsidiaries ("the Group"), in terms of the requirements of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

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 the assets and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of your Company, as aforesaid. The Consolidated Financial Statements of the Company and its subsidiaries is provided separately and forms part of the Annual Report.

**Reporting on Audit Trail Feature:**

In terms of requirements prescribed by proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the Financial Year commencing on or after the 1<sup>st</sup> day of April, 2023, every company that uses accounting software for maintaining its books of account should ensure that the accounting software used has an audit trail feature that cannot be disabled.

Your Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for changes, if any, made using certain administrative access rights to the application and underlying database, as more particularly described in note 58 to the financial statements. These administrative rights were restricted to limited users. Further, these administrative access rights at the application level have been revoked and audit trail feature at database is enabled subsequent to the year end. Further, no instance of audit trail feature being tampered with was noted in respect of such accounting software where the audit trail has been enabled.

**Vigil Mechanism / Whistle Blower Policy:**

Your Company's Whistle Blower Policy encourages Directors and employees and business associates to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Code of Conduct that could adversely impact your Company's operations, business performance and / or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that

requisite standards of professional and ethical conduct are always upheld. It is your Company's Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower Policy is overseen by the Audit Committee and no employee has been denied access to the Committee.

During the year under review, no complaint was received from a whistleblower.

The vigil mechanism / whistle blower policy is available on the Company's website at <https://www.sudarshan.com/whistle-blower-vigil-mechanism-policy.pdf>

**Annual Return:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, and Rules made thereunder, the Annual Return of the Company in Form MGT-7 for the year under review is available on the website of the Company at [www.sudarshan.com](http://www.sudarshan.com)

**Particulars of loans, guarantees or investments under Section 186:**

Information regarding loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, has been disclosed in the Audited Financial Statements.

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

Information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014 is attached to this Report vide **Annexure I**.

**Particulars of Employees and Related Parties:**

The information required pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, has been provided as **Annexure VII**.

**Disclosure pursuant to Section 197(14) of the Companies Act, 2013, and Rules made thereunder:**

The Managing Director and Wholetime Director of the Company are not in receipt of any remuneration and / or commission from any Holding / Subsidiary Company, as the case may be.

**Significant and Material Orders passed by the Regulators and Courts:**

There are no significant material orders passed by regulators or courts which would impact the going concern status of the Company and its future operations.

**Restriction on purchase by Company or giving of Loans by it for purchase of its Shares:**

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and Rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

**Statement of Deviation(s) and Variation(s):**

During the Financial Year 2022-23, the Company allotted 990 Rated, Listed, Taxable, Unsecured, Redeemable Non - Convertible Debentures ("NCDs") on 18<sup>th</sup> July, 2022, on private placement basis. The said NCDs are listed on the Wholesale Debt Market Segment of BSE Limited effective 21<sup>st</sup> July, 2022. During the year under review, there is no deviation / variation in use of debt issue proceeds.

The Company has made necessary disclosures to the Stock Exchanges, Debenture Trustees, within statutory timelines, as per the provisions of SEBI Listing Regulations, 2015, and any other Rules & regulations as may be applicable confirming no deviation / variation in use of debt issue proceeds. Further, the said NCDs were redeemed on 18<sup>th</sup> July, 2025 in full.

**Fund raising through Preferential Allotment ('PI')**

On 13<sup>th</sup> December, 2024, the Company made allotment of 9,80,000 warrants each convertible into, or exchangeable for, 1 (one) fully paid up equity share of the Company of face value of ₹2 each, which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (Eighteen) months to Mr. Rajesh Balkrishna Rathi, Member of the Promoter and Promoter Group and Managing Director at a price of ₹1,019.75 (Including premium of ₹1,017.75 per Warrant) for cash consideration of ₹2,498.31 Lakhs, being 25% of the total consideration amount of ₹9,993.55 Lakhs.

On 13<sup>th</sup> January, 2025, the Company made allotment of 18,69,000 fully paid-up equity shares of face value of ₹2 each at a price of ₹1,043.33 (including premium of ₹1,041.33) per equity share aggregating to approximately ₹19,499.84 Lakhs, to the identified investors, not belonging to "Promoter and Promoter Group" of the Company by way of a preferential issue of Equity Shares on private placement basis, for cash consideration, the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**Fund raising through Qualified Institutions Placement ('QIP')**

On 29<sup>th</sup> January, 2025, the Company made allotment of 74,76,635 fully paid up equity shares of face value of ₹2 each at a price of ₹1,070 per equity share (including premium of ₹1,068 per equity share), representing a discount of

₹37.89 to the floor price of ₹1,107.89 per equity share, to the eligible Qualified Institutional Buyers aggregating to approximately ₹79,999.99 Lakhs, in accordance with the provisions of Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Pursuant to the provisions of regulation 32(7A) of the SEBI Listing Regulations, Issue proceeds of the Preferential Issue of Convertible Warrants amounting to ₹2,498.31 Lakhs (being 25% of the total consideration) and Preferential Issue of Equity Shares of ₹19,499.84 Lakhs have been fully utilized by the Company for the same objects or purposes for which funds were raised and there is no unutilized amount as at the end of the quarter ended 31<sup>st</sup> March, 2025.

Out of the total proceeds of QIP Issue amounting to ₹79,999.99 Lakhs, ₹286.87 Lakhs remained unutilized as on 31<sup>st</sup> March, 2025, and the rest of the proceeds were utilized for the same objects or purposes for which funds were raised.

The Company has made necessary disclosures to the Stock Exchanges within statutory timelines, as per the provisions of SEBI Listing Regulations, 2015, and any other Rules & regulations as may be applicable confirming no deviation / variation in use of proceeds of preferential allotment and qualified institutional placement.

**Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the Financial Year:** Nil, hence not applicable.

**Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:** Nil, hence not applicable.

**No. of employees as on the closure of the Financial Year:**

Sr. No.	Particulars	No. of employees
1.	Male	966
2.	Female	295
3.	Transgender	Nil
<b>Total</b>		<b>1,261</b>

**Compliance of provisions of the Maternity Benefit Act, 1961:**

The company is in compliance with the applicable provisions of Maternity Benefit Act, 1961.

**32. RECOGNITION:**

Details of the awards received during the year under review are disclosed separately in this Annual Report.

**33. APPRECIATION:**

The Directors thank the Company's employees, customers, vendors, investors and business partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

Your Directors place on record their gratitude to Bank of Maharashtra, State Bank of India, ICICI Bank Limited, HDFC Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Citi Bank N.A., Axis Bank Limited, Standard Chartered Bank and The Federal Bank Limited for their co-operation and assistance.

The Directors appreciate and value the contribution made by every member of the Sudarshan family.

For and on Behalf of the Board of Directors

Date: 25<sup>th</sup> July, 2025

Place: Pune

**R. B. RATHI**

Chairman and Managing Director

DIN: 00018628

## ANNEXURE I

### REPORT OF THE BOARD OF DIRECTORS UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

#### 1. (a) Conservation of Energy:

##### i. Steps taken or impact on conservation of energy:

- Electrical Power of 58Mn Units was generated from Cogen Power Plant during the year. Total saving achieved by the Company due to the said power generation amounted to ₹1,455 Lakhs.
- Overall savings in Steam Turbine by improved power generation resulted in savings of ₹187 Lakhs.
- Optimization of VAM operations by regular monitoring and controlling (i.e. cleaning of condensers and maintaining cooling tower temperatures) has resulted in savings of ₹32 Lakhs.
- The Company made an Investment in high efficiency compressor for chilled water with air cooled technology replacing the water-cooled compressor.

##### ii. Steps taken by the company for utilizing alternate sources of energy (green energy):

- Electrical power of 28Mn Units was generated from Solar Power Plant. Total savings achieved by the Company amounted to ₹1,061 Lakhs.
- Electrical power of 11Mn Units was generated from Windmills during the year. Total savings achieved by the Company amounted to ₹566 Lakhs.

##### iii. The capital investment on energy conservation equipments:

During the Financial Year 2022-23, the Company had made capital investment on energy conservation equipments considering future requirements. Therefore, no capital investment was made in the Financial Year 2024-25.

#### 1. (c) Technology Absorption:

##### i. The efforts made towards technology absorption:

- Installation of LED lights.
- Addition of high efficiency screw Air Compressor
- Replaced Old MCC Panel with a new Panel for better safety and efficiency.
- Installation of high efficiency compressor for chilled water generation.
- Installation of automatic sensors for cooling tower temperature control.

- Installation of IE3 and IE4 high efficiency motors and pumps.
- Installation of energy efficient cooling tower fans.

##### Water Saving Projects:

Usage of alternate sources of water treatment chemicals with better efficiency resulted in cost saving of ₹13 Lakhs.

##### II. The benefits derived like product improvement, cost reduction, product development, or import substitution:

The initiatives mentioned above resulted in saving of energy.

##### i. In case of Imported Technology (imported during the last three years reckoned from the beginning of the Financial Year):

- Details of technology imported – Basket Mill for Ink Grade Pigments which has been installed in Printex Plant.
- The year of Import – 2023-24
- Whether the technology been fully absorbed – Yes
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof – Not Applicable
- Details of technology imported – Membrane Filter Press (3 Nos.)
- The year of Import – 2023-24
- Whether the technology been fully absorbed – Yes
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof – Not Applicable
- Details of technology imported – Filter Press
- The year of Import – 2024-25
- Whether the technology been fully absorbed – Yes
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof – Not Applicable

**ii. Specific areas in which R&D has been carried out are:**

- a) New grades of Pigments – Development and Introduction.
- b) Classical Pigments, High Performance Pigments and Effect Pigments.
- c) New grade of pigments added for digital ink application and home and personal care application.
- d) Existing Pigments - Improvement in quality, productivity and cost reduction to meet the customer's changing requirements. To enhance productivity and to achieve cost reduction, high-capacity grinding equipment and larger reactors are installed.
- e) Improvement in products to meet global regulations.
- f) New range in pigment dispersions
- g) Additional solar panels installed, water saving project, plastic reduction projects and reduction in waste generation projects undertaken.

**iii. Benefits derived as a result of the above R&D:**

- a) New products generated additional business
- b) Improvement in product quality and productivity that helps to reduce ETP load
- c) Increase in capacities of existing products to meet the growing customer demand
- d) Cost competitive products to meet the Chinese competition
- e) Reduction in waste generated and energy inputs
- f) Reduce dependence for critical raw material sourcing

**1. (d) Foreign exchange earnings and outgo:**

- Total Foreign Exchange Earned: ₹127,357.3 lakhs  
(Previous year ₹94,687.1 lakhs)

- Total Foreign Exchange Used: ₹48,187.6 lakhs  
(Previous year ₹34,234.9 lakhs)

**2. Change in the nature of Business, if any:**

There was no change in nature of Business during the year.

**3. Details of directors or key managerial personnel who were appointed or have resigned during the year:**

Details with respect to the changes in Directors and/ or Key Managerial Personnel are mentioned in the Directors' Report.

**4. The names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year:**

Details with respect to the changes in the subsidiaries / joint ventures or associate companies are mentioned in the Annual Report.

**5. Details relating to deposits, covered under Chapter V of the act:**

- a. accepted during the year - Nil
- b. remained unpaid or unclaimed as at the end of the year – ₹11.3 Lakhs.
- c. whether there has been any default in repayment of deposits or payment of interest thereon during the year – No
- d. and if so, number of such cases and the total amount involved -Nil

**6. Details of deposits which are not in compliance with the Chapter V of the Act: Nil**

**7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future: Nil**

## 8. Information pursuant to Section 197(12) of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

- (A) the ratio of remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each director, for the financial year.

Median Salary for FY 2024-25: ₹650,004 /-

(₹ In Lakhs)

Name	Total Remuneration	Ratio	% increase in Remuneration
Mr. P. R. Rathi*	7,014,891	11:1	17.3
Mr. R. B. Rathi**	169,259,271	260:1	23.0
Mr. A. N. Rathi***	1,320,000	2:1	35.4
Mr. D. N. Damania	-	-	(100)
Mr. S. Padmanabhan	-	-	(100)
Mr. S. K. Asher	-	-	(100)
Mrs. R. F. Forbes	-	-	(100)
Mrs. S. A. Pansé***	1,730,000	3:1	15.3
Mr. N. T. Raisinghani***	1,560,000	2:1	60.0
Ms. B. Batra***	890,000	1:1	N.A.
Mrs. A. Wakhlu***	1,020,000	2:1	N.A.
Mrs. S. Navandar***	1,220,000	2:1	N.A.
Mr. A. Viji**	23,541,561	36:1	21.1
Mr. Nilkanth Natu****	11,483,827	18:1	47.2
Mr. M. Velankar****	7,362,550	11:1	0.28

\*Remuneration to Mr. P. R. Rathi consists of Pension as per Pension Policy and Commission proposed to be paid this year.

\*\*Remuneration to Mr. R. B. Rathi and Mr. A. Viji, includes PLVA, special incentive, as the case may be and does not include Commission since the same is not proposed to be paid to Executive Director.

\*\*\*Commission is proposed to be paid to Non-Executive Directors for this year. (Mr. A. N. Rathi resigned as a Non-Executive and Non-Independent Director effective 14<sup>th</sup> February, 2025).

\*\*\*\*Remuneration to Mr. Nilkanth Natu and Mr. M. Velankar includes PLVA and special incentive.

- (B) the percentage increase in remuneration of each director, CFO, CEO, CS or Manager, if any, in the financial year; Please refer table above. out if there are any exceptional circumstances for increase in the managerial remuneration:
- (C) the percentage increase in the median remuneration of employees in the Financial Year: FY 2024-25 – median salary – ₹650,004 /- FY 2023-24 - median salary – ₹624,570/; (percentage increase 4.07%) Other employees were given increments in accordance with the remuneration policy. The average percentile increase made in the salaries of employees other than the managerial personnel during FY 2024-25 aggregates to 14.0%.
- (D) the number of permanent employees on the rolls of Company: There were 1,250+ permanent employees on the rolls of Company. (F) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes
- (E) 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 (G) Details as required under the provisions of section 197(12) of the Act read with rule 5(2) and 5(3) Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall be made available upon receipt of specific request from the shareholder in writing to the Company.

**ANNEXURE II****SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES VIDE FORM NO. AOC-1**

Pursuant to Section 129(3) of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014  
Part "A" Subsidiaries [as per section 2(87) of the Companies Act, 2013]

Sr. No.	Name of the subsidiary	Country	Date of Acquisition	Financial Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of Shareholding
1	RIECO Industries Limited	India	N.A.	April to March (Financial year)	INR	1.00	1,250.0	-190.0	17,259.1	16,199.1	-	22,750.9	-2,820.0	-651.8	-2,168.2	100%
2	Sudarshan CSR Foundation	India	N.A.	April to March (Financial year)	INR	1.00	1.0	31.0	34	2.0	-	184.0	19.2	-	19.2	100%
3	Sudarshan Europe B.V.	The Netherlands	N.A.	April to March (Financial year)	EUR	93.75	1,909.0	-1,862.4	2,71,298.8	2,71,252.2	17,282.1	29,697.0	-6,183.3	427.0	-6,610.3	100%
4	Sudarshan North America Inc.	USA	N.A.	April to March (Financial year)	USD	83.79	2,467.8	804.4	14,352.5	11,080.3	-	24,824.2	334.3	99.1	235.1	100%
5	Sudarshan Mexico S. de R. L. de CV.	Mexico	N.A.	Jan to Dec (calendar year)	USD	83.79	0.1	1,223.1	6,663.7	5,440.5	-	8,594.9	463.0	138.9	324.1	100%
6	Sudarshan (Shanghai) Trading Company Limited	China	N.A.	April to March (Financial year)	CNY	11.95	477.6	-497.6	315.3	335.3	-	154.5	9.9	-	9.9	100%
7	Sudarshan Japan Limited(1)	Japan	N.A.	April to March (Financial year)	JPY	0.59	65.1	-70.7	279.6	285.2	-	-	22.0	0.4	21.6	100%
8	Sudarshan Brasil Ltda.^	Brazil	N.A.	April to March (Financial year)	Brazilian Real	14.84	-	-	-	-	-	-	-	-	-	100%
9	Sudarshan Europe Management GmbH (formerly known as Blitz F24-526 GmbH)***	Germany	14/01/2025	Jan to Dec (calendar year)	EUR	93.75	23.2	-164.5	194.1	335.4	-	-	-166.4	-	-166.4	100%

Sr. No.	Name of the subsidiary	Country	Date of Acquisition	Financial Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of Shareholding
10	Sudarshan Middle East General Trading L.L.C.^ (incorporated on 13th February, 2025)	United Arab Emirates	N.A.	April to March (Financial year)	EUR	93.75	-	-	4,856.6	4,856.6	-	-	-	-	100%
11	Sudarshan Switzerland HLD2 AG (formerly known as Heubach EBITO Chemiebetteilungen AG)*	Switzerland	03/03/2025	Jan to Dec (calendar year)	CHF	97.13	196.5	12,410.9	24,192.6	11,585.2	24,177.5	-38.4	-	-38.4	100%
12	Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG)*	Switzerland	03/03/2025	Jan to Dec (calendar year)	CHF	97.13	26,351.3	69,187.4	2,42,265.7	1,46,727.0	1,13,260.1	7,375.7	59.5	578.8	100%
13	Heubach Colorants Middle East FZE^^	United Arab Emirates	03/03/2025	Jan to Dec (calendar year)	AED	23.28	237.6	360.5	740.7	142.6	-	9.9	-	9.9	100%
14	Heubach Colorants Argentina S.A.U.*	Argentina	03/03/2025	Jan to Dec (calendar year)	ARS	0.08	8.5	-4,315.7	1,433.0	5,740.2	-	184.7	-	-153.7	100%
15	Sudarshan Belgium SLO SRL (formerly known as Heubach Colorants Belgium SRL)*	Belgium	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	17.0	1,667.7	6,624.1	4,939.4	-	764.2	19.5	57.6	100%
16	Sudarshan Brasil MFG Ltda.* (formerly known as Heubach Colorants Brasil Ltda.)	Brazil	03/03/2025	Jan to Dec (calendar year)	BRL	14.85	6,546.1	2,255.3	37,999.3	29,197.9	-	3,964.8	115.7	187.3	100%
17	Sudarshan Canada SLO Inc.* (formerly known as Heubach Colorants Canada Inc.)	Canada	03/03/2025	Jan to Dec (calendar year)	CAD	59.73	1,686.9	-687.6	1,189.3	190.0	-	172.4	-	37.7	100%
18	Sudarshan Switzerland SLO AG (formerly known as Heubach Colorants Switzerland AG)*	Switzerland	03/03/2025	Jan to Dec (calendar year)	CHF	97.13	97.3	-23,998.4	9,958.8	33,859.9	-	744.2	19.8	20.8	100%

Sr. No.	Name of the subsidiary	Country	Date of Acquisition	Financial Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of Shareholding
19	Sudarshan Switzerland Consulting AG (formerly known as Heubach Colorants Consulting Switzerland AG)*	Switzerland	03/03/2025	Jan to Dec (calendar year)	CHF	97.13	97.3	-3.4	9.9	-84.0	0.1	-0.1	-	-0.1	100%
20	Sudarshan Chile Industria Quimica Limitada* (formerly known as Heubach Colorants Chile Industria Quimica Limitada)	Chile	03/03/2025	Jan to Dec (calendar year)	CLP	0.09	1,691.0	-1,970.8	3,093.7	3,373.5	-	-48.7	-13.9	-34.8	100%
21	Heubach Colorants Pigment Preparations (Tianjin) Ltd.*	China	03/03/2025	Jan to Dec (calendar year)	CNY	11.95	5,889.9	588.7	8,415.1	1,936.5	-	24.1	6.1	18.0	100%
22	Heubach Colorants (Shanghai) Ltd.*	China	03/03/2025	Jan to Dec (calendar year)	CNY	11.95	29,390.9	-27,625.2	15,592.9	13,827.2	-	-241.1	-	-241.1	100%
23	Heubach Colorants Colombia S.A.S.*	Colombia	03/03/2025	Jan to Dec (calendar year)	COP	0.02	1,177.1	-396.5	2,014.6	1,234.0	-	10.9	10.6	0.3	100%
24	Heubach Colorants Iberica, S.L.U.*	Spain	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	3,205.3	-771.2	11,857.5	9,423.4	-	122.3	59.7	62.6	100%
25	Heubach Colorants France SAS* (formerly known as Heubach Colorants France SAS)	France	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	274.5	1,223.2	4,597.8	3,100.1	-	36.0	9.1	26.9	100%
26	Sudarshan UK SLO Ltd. (formerly known as Heubach Colorants UK Ltd.)*	UK	03/03/2025	Jan to Dec (calendar year)	GBP	110.66	3,879.5	-2,859.3	4,795.4	3,775.2	-	116.6	-	116.6	100%
27	P.T. Heubach Colorants Coatings Indonesia*	Indonesia	03/03/2025	Jan to Dec (calendar year)	IDR	0.01	544.2	190.9	2,489.9	1,754.8	-	76.9	16.7	60.2	100%
28	P.T. Heubach Colorants Indonesia*	Indonesia	03/03/2025	Jan to Dec (calendar year)	IDR	0.01	1,151.2	-1,021.8	1,750.1	1,620.7	-	22.2	5.7	16.4	100%
29	Heubach Colorants India Limited*#	India	03/03/2025	April to March (Financial year)	INR	1.00	1,254.7	51,078.9	75,811.1	23,477.5	423.2	1,244.7	277.9	966.8	54.36%

Sr. No.	Name of the subsidiary	Country	Date of Acquisition	Financial Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of Shareholding
30	Sudarshan Italy SLO S.r.l. (formerly known as Heubach Colorants Italy S.r.l.)*	Italy	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	4,758.1	976.6	11,244.8	5,510.1	-	472.4	24.0	52.3	100%
31	Sudarshan Japan MFG K.K. (formerly known as Heubach Colorants Japan K.K.)*	Japan	03/03/2025	Jan to Dec (calendar year)	JPY	0.59	1,459.0	33,360.2	44,147.3	9,328.1	-	2,844.9	227.6	516.8	100%
32	Heubach Colorants Korea Ltd.*	Korea	03/03/2025	Jan to Dec (calendar year)	KRW	0.06	358.6	21.1	651.2	271.5	-	21.4	4.2	17.2	100%
33	Sudarshan Malaysia SLO Sdn. Bhd.* (formerly known as Heubach Colorants Malaysia Sdn. Bhd.)	Malaysia	03/03/2025	Jan to Dec (calendar year)	MYR	19.26	976.5	69.4	1,598.6	552.7	-	371.0	17.1	55.2	100%
34	Heubach Colorants Peru S.A.C.*^^	Peru	03/03/2025	Jan to Dec (calendar year)	PEN	23.36	475.6	-505.9	45.5	75.8	-	-	-	-1.8	100%
35	Heubach Colorants Scandinavia AB*^^	Scandinavia	03/03/2025	Jan to Dec (calendar year)	SEK	8.546	4.1	1,305.6	1,367.4	57.7	-	-	-	-40.0	100%
36	Sudarshan Singapore SLO Pte. Ltd.* (formerly known as Heubach Colorants Singapore Pte. Ltd.)	Singapore	03/03/2025	Jan to Dec (calendar year)	SGD	63.71	1,942.7	5,764.0	22,753.1	15,046.4	-	8,860.1	180.5	877.5	100%
37	Sudarshan MFG (Thailand) Ltd.* (formerly known as Heubach Colorants (Thailand) Limited.)	Thailand	03/03/2025	Jan to Dec (calendar year)	THB	2.51	2,566.5	-729.3	3,035.9	1,198.7	-	320.7	6.2	9.2	100%
38	Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.Ş.* (formerly known as Heubach Colorants Turkey Boya Sanayi ve Ticaret A.Ş.)	Turkey	03/03/2025	Jan to Dec (calendar year)	TRY	2.24	35.9	1,920.8	2,782.9	826.2	-	20.3	20.3	32.7	100%
39	Heubach Colorants Taiwan Co., Ltd.*	Taiwan	03/03/2025	Jan to Dec (calendar year)	TWD	2.58	26.5	588.1	749.5	134.9	-	-	4.3	22.6	100%

Sr. No.	Name of the subsidiary	Country	Date of Acquisition	Financial Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of Shareholding
40	Sudarshan Southern Africa MFG (Pty) Ltd.* (formerly known as Heubach Colorants Southern Africa (Pty) Ltd)	South Africa	03/03/2025	Jan to Dec (calendar year)	ZAR	4.63	3,276.8	-747.6	4,429.1	1,899.9	-	79.8	22.6	57.2	100%
41	Heubach Europa EWIV*	Germany	03/03/2025	-	-	-	-	-	-	-	-	-	-	-	100%
42	Heubach Colorants México, S.A. de C.V.*	Mexico	03/03/2025	Jan to Dec (calendar year)	MXN	4.19	15.1	16,426.5	43,852.9	27,411.3	5,649.2	326.3	99.0	227.3	100%
43	Heubach Colorants México Productos Químicos, S.A. de C.V.*	Mexico	03/03/2025	Jan to Dec (calendar year)	MXN	4.19	104.3	3,075.1	3,497.3	317.9	0.0	15.0	4.6	10.4	100%
44	Sudarshan Lux Holding S.à.r.l (formerly known as Heubach Holding S.à.r.l)*	Luxembourg	03/03/2025	Jan to Dec (calendar year)	USD	83.79	135.6	23,794.6	25,307.2	1,377.0	23,582.3	36.1	-	36.1	100%
45	Sudarshan USA HLD1 LLC (formerly known as Heubach Holding USA LLC)*	USA	03/03/2025	Jan to Dec (calendar year)	USD	83.79	17,592.6	2,449.1	29,876.3	9,834.6	29,876.3	-33.0	-	-33.0	100%
46	Sudarshan USA SLO LLC (formerly known as Heubach Colorants USA LLC)*	USA	03/03/2025	Jan to Dec (calendar year)	USD	83.79	-	9,492.8	24,711.0	15,218.2	-	758.6	226.8	531.8	100%
47	Heubach Colour Private Limited	India	03/03/2025	April to March (Financial year)	INR	1.00	880.5	40,688.12	64,917.52	23,348.9	4,242.0	5,389.8	346.8	1,290.1	100%
48	Sudarshan Osaka SLO K.K. (formerly known as Heubach Japan K.K.)*	Japan	03/03/2025	April to March (Financial year)	JPY	0.59	29.2	919.1	1,781.9	833.6	-	105.8	10.7	9.3	100%
49	Heubach Pigments Private Limited*	India	03/03/2025	April to March (Financial year)	INR	1.00	4,000.0	-61,003.7	6,671.6	63,675.3	-	76.4	-	-627.2	100%
50	Heubach Research Centre s.r.o.*	Czech Republic	03/03/2025	April to March (Financial year)	CZK	3.71	7.3	-333.5	69.8	396.0	-	-13.0	-	-13.0	100%

Sr. No.	Name of the subsidiary	Country	Date of Acquisition	Financial Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of Shareholding
51	Heubach Foundation*	India	03/03/2025	April to March (Financial year)	INR	1.00	1	-0.8	0.3	0.1	-	-	-	-	100%
52	Sudarshan Germany Horizons GmbH (formerly known as Blitz F24-522 GmbH)**	Germany	20/12/2024	Jan to Dec (calendar year)	EUR	93.75	22.1	-4,674.1	2,02,142.8	2,06,794.8	74,317.1	13,011.3	-1,308.6	-3,236.9	100%
53	Inventories Frankfurt GmbH*	Germany	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	22.9	78,003.5	93,259.8	15,233.4	-	58,878.8	397.4	801.5	100%
54	VP4 Frankfurt GmbH*	Germany	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	22.9	2,909.7	4,218.7	1,286.1	-	1,347.2	195.1	409.1	100%
55	Inventories Langelsheim GmbH*	Germany	03/03/2025	Jan to Dec (calendar year)	EUR	93.75	23.2	16,834.0	20,630.3	3,773.1	-	12,999.6	50.8	327.3	100%
56	Sudarshan Langelsheim PLT GmbH (formerly known as Blitz F24-523 GmbH)**	Germany	20/12/2024	Jan to Dec (calendar year)	EUR	93.75	22.1	-1,211.6	25,623.2	26,812.7	-	4,181.6	-564.4	-1,226.6	100%
57	Sudarshan Langelsheim RE GmbH (formerly known as Blitz F24-524 GmbH)**	Germany	20/12/2024	Jan to Dec (calendar year)	EUR	93.75	22.1	-13.0	7,947.5	7,939.1	-	-	11.2	-16.3	100%
58	Sudarshan Fairless Hills MFG Ltd., LP (formerly known as Heubach Ltd.)*	USA	03/03/2025	Jan to Dec (calendar year)	USD	83.79	4,368.5	1,568.7	54,870.6	48,933.4	-	1,803.7	-80.5	-196.6	100%

## Part "B" Details of Associates / Joint Ventures [as per Section 2(6) of the Companies Act, 2013

(₹ In Lakhs)

Sr. No.	Name of the associate/ joint venture	Latest Audited Balance Sheet Date	Date on which associate/ joint venture was associated or acquired	No. of Equity shares held	Proportion of ownership interest	Cost of Investments	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) Considered in Consolidation	Not considered in consolidation
1	Hangzhou Baihe Heubach Pigments Co. Ltd.*##	31/12/2024	03/03/2025	Refer note 4 below	49%	## 22,848.4	16,186.5	^^^ 241.4	251.3
2	Heubach Toyo Colour Private Limited*##	31/03/2025	03/03/2025	2,48,00,000	50%	2,480	3,516.7	^^^ 45.2	45.2

## Notes:

- All figures provided are in ₹ in lakhs.
- None of the aforesaid subsidiaries have declared dividend during FY 2024-25.
- Turnover is excluding other income.
- The value of Equity shares held is ₹ 22,848.4 lakhs.

(1) on 25<sup>th</sup> March, 2025, for the purpose of reorganization of the current structure of foreign subsidiaries of the Company, investment held by the Company (in the form of Equity Share Capital / Capital Contribution) in Sudarshan Japan Limited, Wholly Owned Subsidiary, was transferred to Sudarshan Europe B.V., another Wholly Owned Subsidiary of the Company, making Sudarshan Japan Limited a Step-Down Subsidiary of the Company.

\* Acquired on 3<sup>rd</sup> March, 2025 pursuant to the acquisition of Global Pigment Business Operations of Heubach Group

\*\*Acquired on 20<sup>th</sup> December, 2024.

\*\*\*Acquired on 14<sup>th</sup> January, 2025.

# Ownership interest held by non-controlling interest as at 31<sup>st</sup> March, 2025 is 54.36%.

## Investment in these entities has been accounted by equity method.

###Cost of investment as on 4<sup>th</sup> March 2025.

^The said step-down subsidiary is yet to commence business operations and there has been no transactions since incorporation and hence the same has not been consolidated as at 31<sup>st</sup> March, 2025.

^^Under liquidation.

^^^This profit pertains to the period 4<sup>th</sup> March, 25 to 31<sup>st</sup> March 25

For and on behalf of the Board of Directors

**For SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

**R. B. RATHI**

CHAIRMAN AND MANAGING DIRECTOR

DIN: 00018628

Date: 25<sup>th</sup> July, 2025

Place: Pune

## ANNEXURE III

### DIVIDEND DISTRIBUTION POLICY

This Policy will regulate the process of dividend declaration and its pay-out by the Sudarshan Chemical Industries Limited ("the Company") in accordance with the provisions of Companies Act, 2013 read with the applicable Rules framed there under, as may be in force for the time being ("Companies Act").

#### Preamble

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its Profits. The Profits earned by the Company can either be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholder. The Company may choose to retain a part of its Profits for further expansion and modernization of the business and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these needs.

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of Profits retained in the business for various purposes. The Board of Directors will refer to the policy while declaring/ recommending dividends on behalf of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend pay- out keeping in mind the need to provide greater clarity on the dividend pay-out philosophy of the Company.

#### Category of Dividends

The Companies Act provides for two forms of Dividend- Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend(s) during the financial year, as and when they consider it fit.

#### Factors to be considered while declaring Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavor to take a decision with an objective to enhance shareholders wealth and also meets the expectations of other stakeholders.

The Dividend pay-out decision depends upon certain financial parameters, external and internal factors.

#### Financial Parameters

The following financial parameters will be considered while declaring or recommending dividend:

- (i) Operating cash flows ;
- (ii) Outstanding borrowings and obligations to creditors;
- (iii) Liquidity position;
- (iv) Stability of earnings;
- (v) Profit Before Tax and Profit After Tax;
- (vi) Profit growth targets for the current financial year, Profits for any previous financial year or years and market expectations;
- (vii) Availability of free reserves in conformity with the provisions of the Companies Act, 2013 and the relevant rules there under;

#### External Factors

State of Economy - in case of uncertain or recessionary economic and business conditions, the Board will endeavor to retain larger part of Profits to build up reserves to absorb future shocks.

Capital Markets - when the markets are favorable, dividend pay-out can be liberal. However, in case of unfavorable market conditions, Board may resort to a conservative dividend pay- out in order to conserve cash outflows.

Statutory Restrictions - The Board will keep in mind the restrictions imposed by Companies Act with regard to declaration of dividend.

#### Internal Factors

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include-

- i) Profits earned during the year;
- ii) Present & future capital requirements of the existing businesses;
- iii) Brand / Business Acquisitions;
- iv) Expansion / Modernisation / Restructuring of existing businesses;

- v) Additional investments in subsidiaries / associates of the Company;
- vi) Any other factor as deemed fit by the Board.

**Circumstances in which Company may not declare / propose dividend**

The Board of Directors will evaluate the financial parameters as well as the internal and external factors affecting / or which may adversely affect the performance of the Company in the short run before taking a decision as to not declare and / or propose dividend.

**Dividend Range**

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the Profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent

upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavor to maintain an Annual Dividend pay-out in the range of 25% to 40% of Profits after tax (PAT) on standalone financials. However, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision.

**Disclosure**

This Policy will be disclosed in the annual report of the Company and on the website of the Company, as required under the Listing Regulations.

**Policy review**

The Board has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

This Policy was approved by the Board of Directors at its meeting held on 10<sup>th</sup> February 2017.

## **ANNEXURE IV**

### **PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES**

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014-AOC-2]

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

**Details of contracts or arrangements or transactions not at arm's length basis: Nil**

**Details of material contracts or arrangements or transactions at arm's length basis: Nil**

For and on behalf of the Board of Directors

**For SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

Date: 25<sup>th</sup> July, 2025  
Place: Pune

**R B RATHI**  
CHAIRMAN AND MANAGING DIRECTOR  
DIN: 00018628

## ANNEXURE V

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025

#### Brief outline on CSR Policy of the Company:

##### Introduction

Your Company's aspiration to create effective and sustainable societal value is demonstrated in its CSR initiatives that embrace the disadvantaged sections of society, especially those staying in the vicinity of its manufacturing locations at Roha and Mahad, Dist. Raigad, Maharashtra, India through economic empowerment based on grassroots capacity building. All CSR activities of the Company are carried out under the aegis of "SUDHA" ("Sudarshan's Holistic Aspiration").

The Company's grand vision is "Growing Together" with all its stakeholders in a manner that is spiritually fulfilling, socially just and environmentally sustainable. SUDHA contributes to this vision by ensuring that all its initiatives are driven with this perspective in mind. SUDHA's vision is 'aspiring wholesome sustainable growth for women and children of communities around the Company's plants' and Mission is 'reach out to communities by engaging in projects related to Livelihood, Health, Education & Community Development.' SUDHA is envisaged as a movement to involve the Company and the community in which it operates to create better living standards and safeguard the environment.

To achieve the aforesaid goals, the Company adopted a series of CSR initiatives in FY 2024-25 which involved programs, projects and activities to create a significant positive impact on identified stakeholders. All these programmes fall within the purview of Schedule VII of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time).

SUDHA works towards sustainable growth of communities around its plants in Roha, Mahad and around its R&D Centre and Registered Office in Pune. In 2017, SUDHA started work on the Ideal Village Development Project. The work touches major areas such as women empowerment, education, health, environment, and community development.

SUDHA has outlined a systematic approach to address the ongoing issues in nearby areas. The organization collaborates with government authorities at various levels and works in coordination with Gram Panchayats of respective villages to initiate new activities. Apart from identifying the issues in respective villages and working with self-help groups to solve the problem, the Company also partners with nearby NGOs and corporates to ensure overall development of area through combined work.

#### Vision Mission and Objective of SUDHA

**Vision:** Wholesome sustainable growth of each member of the community around Sudarshan Plants.

**Mission:** Reach out to communities and make lives better by engaging in projects pertaining to Women Empowerment, Health, Education, Environment and Community Development.

#### Objectives:

- Serve Communities for a better future
- Create belongingness through sustainable inclusive growth
- Empower women for leadership
- Create groups to lead projects ahead

#### Framework of SUDHA

SUDHA has projects in 5 broad areas - Women Empowerment, Environment, Health, Community Development and Education.

#### Details of projects are as under:

##### 1. WOMEN EMPOWERMENT –

The objective of the projects under this area is to empower underprivileged women in the local community by livelihood enhancement and vocational skill development. The purpose is to make women proficient enough through training to carry out the activities independently and earn a living. We have empowered 2,999 women. Projects undertaken so far include:

- A. Paper Bag Project: The Paper Bag Project stands as one of Sudarshan's flagship CSR initiatives, successfully running for over nine years. This project empowers women by providing training in the production and marketing of eco-friendly paper bags of various sizes and strengths. These bags are crafted from recycled newspapers and can be produced at home, requiring no machinery or electricity, making it an accessible and sustainable source of income for rural women.
- B. Sukushal Uniform Centre: The Sukushal Uniform Centre is a community-based skill development initiative aimed at enhancing employability among rural women and youth. It provides practical training in tailoring, garment production, and fashion design, promoting sustainable livelihoods and encouraging local entrepreneurship.
- C. Skill development tentative: In collaboration with like-minded partner organizations, Sudarshan has implemented targeted skill development programs aimed at rural youth. To date, over 1,700 individuals have been trained across a range of vocational skills. These programs not only support participants in securing gainful employment but also assist them in launching their own micro-enterprises, thereby promoting economic self-sufficiency within their communities.

## 2. ENVIRONMENT

In waste management, at present SUDHA is working with more than 40,324 families and 150 farmers for organic farming.

### A. Water conservation Project:

Water is an indispensable resource for sustaining life, and its conservation is of paramount importance. We have undertaken water conservation efforts at the Mahad location, utilizing a range of methods, including Gabions, Nala Plugging, Farm Bunding, CNB, CCT, and other innovative water conservation techniques. These initiatives have had a positive impact on over 15,000 individuals across eight villages in the Mahad block.

### B. Improved Agriculture:

In India agriculture is the backbone of rural communities. Given its significance, we are dedicated to promoting sustainable agriculture practices and advancing the Wadi project, which is presently benefiting over 1,000 farmers. Our efforts are aimed at increasing the economic stability of these communities while also mitigating the environmental impact of farming practices. We believe that through these measures, we can support the livelihoods of rural farmers while also safeguarding the health of our environment.

### C. Waste Management:

Waste Management at the village level is actively engaging with over 5,000 families, striving to create garbage-free villages. We convert wet waste into compost and ensure that dry waste is sent for recycling.

## 3. HEALTH

### A. Collaborative efforts with Government:

We have established collaborative partnerships with block level government institutions including rural hospitals and primary healthcare centres. The aim of these partnerships is to arrange health camps, Eye check-up and improve health infrastructure in rural communities. As a result of these initiatives, the health of the rural population has been enhanced and the overall health infrastructure has been strengthened.

### B. Capacity building of Asha workers:

Asha workers hold a significant responsibility in ensuring the health of rural communities. Recognizing their pivotal role, we conduct capacity building programs that focus on enhancing their leadership, communication, and mental wellbeing skills. Such programs are aimed at empowering these workers to better serve their communities with excellence.

### D. Awareness Program on Community mental health:

In recent times, the prevalence of poor mental health has become a pressing concern, attributed to evolving lifestyle trends. In response, we have initiated a community mental health awareness program. This endeavor involved conducting mental health awareness sessions for school children, Asha Workers, and Community Resource Persons ("CRPs"), reaching over 200+ students and Aarogya Sakhies. Our objective is to promote understanding of mental health issues and foster a culture of seeking appropriate support.

### E. Awareness on Menstrual Hygiene:

As India strides into the 21<sup>st</sup> century, it's evident that many women in rural areas still face challenges accessing menstrual pads, resorting to unhygienic alternatives like cloth, risking their health. To address this, we've launched a menstrual health awareness program, benefiting over 600 adolescent girls and 540 Tribal karkari women's.

## 4. EDUCATION

### A. Comprehensive Development of Rural Educational Institutes: ISO Certification School & Anganwadi

Education is crucial for human development, especially as India aims for progress. We're committed to enhancing education quality nationwide. Our focus is on upgrading rural government schools, promoting digital learning, building labs and libraries, and fostering sports. We aim to achieve global standards, with ISO certification for schools and Anganwadis, ensuring quality education for rural children. Our proactive efforts resulted in ISO certification for 22 Schools and 19 Anganwadi, benefiting over 13,398 students. We believe these ongoing efforts will significantly improve education quality in our country.

### B. Collaboration with expert organizations for promotion of education facilities:

We've partnered with expert organizations to provide quality education to underprivileged children in urban slums, impacting 2,105 students through initiatives like Abhyasika's, supportive classes, and summer camps. Collaborators include:

- a. NGO - SEVA Sahyog, Pune: Supporting 405 children in Kothrud's slum areas.
- b. JMRE School Roha: Promoting education for 1,700 students.

## 5. COMMUNITY DEVELOPMENT

### A. Ideal Village Development Project & ISO Certification for the Grampanchayat

To embody holistic development, we launched "The Ideal Village Project" across our locations, preserving rural India's essence. This initiative fosters integrated development in personal, economic, social, and human spheres for sustainable, long-term change.

Adarsh Gram Yojana guidelines, aiming to transform villages into model communities. This project has commenced in 41 villages, impacting 57,647 lives, with 15 Gram Panchayats successfully achieving ISO certification.

### B. Transforming Village Governance: Building Capacity for Empowered Gram Panchayat Leadership"

Sudha CSR launched the Gram Panchayat Capacity-Building Programme to strengthen local governance and empower grassroots leaders. Covering 1,017 Gram Panchayat members across 196 Panchayats in Roha and Mahad, the program delivers structured training aligned with the Sustainable Development Goals (SDGs). In partnership with institutions like Zila, and Block Panchayats, it focuses on governance, leadership, and GPDP planning. Exposure visits to model villages further enable participants to adopt best practices in community-led development.

## 2. Committee as on 31<sup>st</sup> March, 2025:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. R. F. Forbes	Chairperson (Non - Executive and Independent Director)	1	1
2.	Mr. P. R. Rathi	Member (Non - Executive and Non - Independent Director)	1	1
3.	Mr. R. B. Rathi	Member (Managing Director)	1	1

Notes: Mrs. R. F. Forbes ceased to be Chairperson and member of the committee effective close of business hours on 2<sup>nd</sup> August, 2024. Consequently, Mrs. A. Wakhlu was appointed as a Chairperson and member of the committee effective close of business hours on 2<sup>nd</sup> August, 2024.

Mr. P. R. Rathi ceased to be a member of the committee effective close of business hours on 29<sup>th</sup> May, 2025 on account of resignation. Consequently, Mr. A. Vij was appointed as a member of the committee effective close of business hours on 29<sup>th</sup> May, 2025.

1. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company - <https://www.sudarshan.com/company-policies.php>
2. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not Applicable for FY 2024-25
3. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - As per table below.

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	FY 2021-22	1,142,082/-	1,142,082/- (set-off during FY 2022-23)
2.	FY 2022-23	266,565/-	266,565/- (set-off during FY 2023-24)
3.	FY 2023-24	1,202,978/-	1,202,978/- (The Company decided not to set-off the surplus / excess amount available)

4. Average net profit of the Company as per section 135(5). – ₹1,012,130,000/-
5. (a) 2% of average net profit of the Company as per section 135(5) – ₹20,242,600/-
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil
- (c) Amount required to be set off for the financial year, if any - Nil as the Company decided not to set off the surplus / excess amount available
- (d) Total CSR obligation for the financial year (5a+5b-5c). ₹20,242,600/-
6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent (in ₹)	Amount Spent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
20,461,319	Nil	N.A.	N.A.	Nil	Nil

- (b) Details of CSR amount spent against ongoing projects for the financial year:  
 No amount spent on ongoing projects during the year

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
Nil												

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No	Name of Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in D)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Training, Marketing & Dev. of self-entrepreneurship.	Skill Development	Yes	Maharashtra	Raigad, Pune	824,514	Yes	NA	NA
2	JMRE School, Roha	Promotion of Education	Yes	Maharashtra	Raigad, Pune	2,000,000	No	JM Rathi Trust	CSR00000907
3	Seva Sahayog	Promotion of Education	Yes	Maharashtra	Pune	1,500,000	No	Seva Sahyog	CSR00000756
4	Development of peripheral schools in the community	Promotion of Education	Yes	Maharashtra	Raigad, Pune	1,019,634	Yes	NA	NA
5	Ideal Village Dev., Swachh Bharat Abhiyan, Community bonding activity	Community Development	Yes	Maharashtra	Raigad, Pune	5,195,670	Yes	NA	NA

Sr. No	Name of Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount spent for the Project (in D)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
6	Ideal Village Dev., Swachh Bharat Abhiyan, Community bonding activity	Community Development	Yes	Maharashtra	Raigad, Pune	700,584	No	USHA International Ltd	L74210DL1835 PLC007123
7	Environment Sustainability	Ensuring Water Sustainability	Yes	Maharashtra	Mahad	3,571,884	No	Vanarai Foundation	CSR00001205
8	Sustainable - Waste Management	Ensuring Environmental Sustainability	Yes	Maharashtra	Raigad, Pune	3,032,408	No	Know How Foundation	CSR00002818
9	Management of any Disaster, promotion of Health facility	Disaster, Management	Yes	Maharashtra	Raigad, Pune	660,000	No	International Association for Human Values	CSR00000683
10	Management of any Disaster, promotion of Health facility	Disaster, Management	Yes	Maharashtra	Raigad, Pune	214,448	Yes	NA	NA
11	Any other relevant project while interacting with Govt./Leadership team	Community Development	Yes	Maharashtra	Raigad, Pune	794,400	Yes	NA	NA
	<b>Total</b>	-	-	-	-	<b>19,513,542</b>	-	-	-

(d) Amount spent in Administrative Overheads – ₹947,777/-

(e) Amount spent on Impact Assessment, if applicable - Not applicable for FY 2024-25

(f) Total amount spent for the Financial Year (6b+6c+6d+6e) – ₹20,461,319/-

(g) Excess amount for set off, if any -

Sr. No.	Particulars	Amount (in ₹)
i.	2% of average net profit of the Company as per section 135(5)	20,242,600/-
ii.	Total amount spent for the Financial Year	20,461,319/-
iii.	Excess / (Deficit) amount spent for the financial year [(ii)-(i)]	218,719/-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	1,202,978/- from FY2023-24
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,421,697/- (Included surplus/excess of 1,202,978/- from FY 2023-24 and 218,719/- from FY2024-25)

## 2. (a) Details of unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any Fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
Nil							

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project Duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project - Completed /Ongoing
Nil								

## 3. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year- (asset-wise details) - Not Applicable for the FY 2024-25.

(a) Date of creation or acquisition of the capital asset(s). Nil

(b) Amount of CSR spent for creation or acquisition of capital asset. Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Nil

(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Nil

## 4. Specify the reason(s), if the Company has failed to spend two % of the average net profit as per section 135(5). -

Not Applicable since the Company has spent according to its CSR obligation.

 Date: 25<sup>th</sup> July, 2025  
 Place: Pune

 Sd/-  
**NILKANTH NATU**  
 CHIEF FINANCIAL OFFICER

 Sd/-  
**R. B. RATHI**  
 CHAIRMAN AND MANAGING DIRECTOR  
 DIN: 00018628

 Sd/-  
**ANU WAKHLU**  
 CHAIRPERSON - CSR COMMITTEE  
 DIN: 00122052

## Annexure VI

### SECRETARIAL AUDIT REPORT

For the year ended 31<sup>st</sup> March, 2025

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

To

The Members

**RIECO Industries Limited**

11<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069

I have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RIECO Industries Limited, (Unlisted Material Subsidiary of Sudarshan Chemical Industries Limited) (CIN: U24118MH1975PLC018631)** (hereinafter called the 'Company') for the financial year ended 31<sup>st</sup> March 2025, ('the year' / 'audit period' / 'period under review').

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the company's corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and provided either as hard copies or scanned copies by email and also the information provided by the Company, its officers, and authorized representatives, during the conduct of Secretarial Audit, I hereby report that in my opinion, during the audit period, the Company has 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 made hereunder.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year according to the provisions of:

- i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder- **Not Applicable to the Company during the Audit Period;**
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the Company during the Audit Period;**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not Applicable to the Company during the Audit Period;**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **\*Not Applicable to the Company during the Audit Period;**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **Not Applicable to the Company during the Audit Period;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Securitized Debt Instruments and Security Receipts) Regulations, 2008- **Not Applicable to the Company during the Audit Period;**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable to the Company during the Audit Period;**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable to the Company during the Audit Period; and**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period.**

\* The Company being an unlisted material subsidiary of Sudarshan Chemical Industries Limited ("Sudarshan"), directors and certain employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of Sudarshan.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if applicable – Not Applicable to the Company during the Audit Period;

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

I further report that, even though there are no specific sectoral laws regulating the working of the Company, the Company has identified the following laws as specifically applicable to the Company:

- i) The Food Safety and Standards Act, 2006 and Rules;
- ii) Environment Protection Act, 1986;
- iii) Public Liability Insurance Act, 1991 as amended;
- iv) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice along with agenda were given to all directors to schedule the Board/Committee Meetings, agenda and detailed notes on agenda were sent/delivered 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. Necessary consents from the Directors were obtained to hold Board Meeting at

shorter notices, if any. During the year under review, directors have also participated in the board / committees' meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173(2) of the Companies Act read with Rule 3 & 4 of the Companies (Meetings of Board and its Powers) Rules, 2014. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by respective officials and taken on record by the Board of Directors at their meetings and as per explanations obtained and relied upon by me the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that there are no specific events /major decisions or activities undertaken in pursuance of the above laws, rules and regulations, guidelines, etc., during the financial year ended 31<sup>st</sup> March 2025, having a major bearing on the Company affairs.

This report is to be read with the letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

**For RAJESH KARUNAKARAN & CO.,**  
COMPANY SECRETARIES

**RAJESH KARUNAKARAN**  
COMPANY SECRETARY  
FCS No. 7441/CP No. 6581

UDIN-

Peer Review Certificate no. 1260/2021 dated 28<sup>th</sup> June, 2021

Pune, 21<sup>st</sup> June 2025

**Note: This report is to be read with my letter of even date, which is appended below and forms an integral part thereof.**

**RAJESH KARUNAKARAN**

**COMPANY SECRETARY**

**C.P. NO. 6581, F.C.S NO. 7441**

204 Pragati Towers, Opp. Shivajinagar Metro Station, Shivajinagar, Pune – 411 005 M- 9890320874–

E-mail- karunakaran2004@yahoo.com-www.csrk.co.in

**Annexure 1**

To,

The Members

**RIECO industries limited**

11<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road,

Baner, Pune – 411 069

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

**Management Responsibility**

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on audits.

**Auditors Responsibility**

1. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the fairness of the contents of the Secretarial records. The verification was done on test basis to ensure that facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
2. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
3. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis to the extent applicable to the Company.

**Disclaimer**

5. 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 RAJESH KARUNAKARAN & CO.,**  
COMPANY SECRETARIES

**RAJESH KARUNAKARAN**  
COMPANY SECRETARY  
FCS No. 7441/CP No. 6581

UDIN-

Pune, 21<sup>st</sup> June 2025

Peer Review Certificate no. 1260/2021 dated 28<sup>th</sup> June, 2021

## Annexure VI

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

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

To,  
The Members  
**SUDARSHAN CHEMICAL INDUSTRIES LIMITED**  
7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25,  
Near PAN Card Club Road, Baner,  
Pune, Maharashtra-411069

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sudarshan Chemical Industries Limited** having CIN: L24119PN1951PLC008409 (Hereinafter called 'the Company')

Secretarial Audit was conducted for the financial year 2024-25, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my 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, the explanations and clarifications given to me and representations made by the Management, during the audit period covering the financial year ended on March 31, 2025 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of the following list of laws and regulations:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>(i) The Companies Act, 2013 (the Act) and the rules made there under;</li> <li>(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;</li> <li>(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;</li> <li>(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;</li> </ul> | <ul style="list-style-type: none"> <li>(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):</li> <ol style="list-style-type: none"> <li>1. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;</li> <li>2. SEBI (Prohibition of Insider Trading) Regulations, 2015;</li> <li>3. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;</li> <li>4. SEBI (Delisting of Equity Shares) Regulations, 2021; <b>(Not applicable to the company during the audit period)</b></li> <li>5. SEBI (Buyback of Securities) Regulations, 2018; <b>(Not applicable to the company during the audit period)</b></li> <li>6. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021;</li> <li>7. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021;</li> <li>8. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;</li> <li>9. SEBI (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;</li> </ol> <li>(vi) Other Applicable Laws: having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof on test-check basis, the company has complied with the following laws applicable specifically to the company:</li> <ol style="list-style-type: none"> <li>(a) The Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975</li> <li>(b) Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982</li> <li>(c) The Environment Protection Act, 1986 and Rules &amp; Regulations thereunder.</li> </ol> </ul> |
|---|--|

- (d) The Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989.
- (e) The Public Liability Insurance Act, 1991
- (f) The Petroleum Act 1934 and the Petroleum Rules, 2002
- (g) The Explosives Act, 1884 and the Gas Cylinders Rules, 2016
- (h) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the committee and Board Meetings, agenda and detailed notes on agenda are sent 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 meetings.

The decisions were passed by the Board members unanimously and recorded as a part of minutes.

I 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.

I further report that during the audit period: -

1. RIECO Industries Limited, a Wholly Owned Subsidiary of the Company has become a material unlisted Subsidiary of the Company in accordance with thresholds given in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Sudarshan Japan Limited has ceased to be a Wholly Owned

Subsidiary of the Company and has become a Step - Down Subsidiary of the Company.

2. The members passed the following special resolutions at the Annual General Meeting held on August 02, 2024:
  - a. Appointment of Independent Directors viz. Ms. Bhumika Batra (DIN: 03502004), Ms. Anu Wakhlu (DIN: 00122052) and Mrs. Sudha Navandar (DIN: 02804964) for a period of Five years from August 02, 2024 to August 01, 2029, respectively.
  - b. Payment of remuneration to Mr. Rajesh Rathi (DIN: 00018628) as Managing Director in accordance with the provisions of Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. not exceeding higher of ₹5 Crore or 2.5% of the net profits of the Company, during the remaining tenure of his appointment up to May 31, 2028.
  - c. Approval of ratification and amendments to Sudarshan Employee Stock Option Plan 2018.
  - d. Approval to extend the benefits under Sudarshan Employee Stock Option Plan 2018 to the employees of Subsidiary Company(ies)/ Associate Company(ies) of the Company.
3. The Board at its meeting held on October 16, 2024 approved Draft Public Announcement (DPA) as per SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 in connection with the proposed open offer for acquisition of Shares of Heubach Colorants India Limited ("Target Company").  
  
Sudarshan Europe B.V. ("Acquirer") along with the Company ("Person Acting in Concert" of "PAC") acting in the capacity as Person Acting in Concert with the Acquirer released open offer on October 16, 2024 vide Public Announcement for the acquisition of upto 60,01,268 (Sixty Lakh One Thousand Two Hundred and Sixty-Eight) fully paid-up equity shares of face value of ₹10/- (Rupees Ten only) each of Heubach Colorants India Limited ("Target Company"), representing 26% of the voting share capital of the Target Company from the Public Shareholders of the Target Company.
4. The members passed the following resolutions through Postal Ballot on November 30, 2024-
  - a. Approval for increase in the Authorised Share Capital from ₹15,00,00,000 (Rupees Fifteen Crore only) divided into 7,50,00,000 (Seven Crore Fifty Lakh only) equity shares of ₹2/- (Rupees Two only) to ₹20,00,00,000 (Rupees Twenty Crore only) divided into 10,00,00,000 (Ten Crore only) each

- ranking pari-passu with the existing Equity Shares of the Company and consequent amendment to the Memorandum of Association- Ordinary Resolution.
- b. Approval for raising of funds in one or more tranches through issuance of Equity Shares and / or other securities to eligible investors for an aggregate amount of up to ₹900 Crore (Rupees Nine Hundred Crore only)- Special Resolution.
  - c. Issue of securities on a Preferential Basis to Mr. Rajesh Balkrishna Rathi, Member of the Promoter and Promoter Group of the Company up to 9,80,000 (Nine Lakhs Eighty Thousand) warrants, each convertible into, or exchangeable for, 1 (One) fully paid-up equity share of the Company of face value of ₹2/- (Rupees Two only) each ("Warrants") at a price of ₹1,019.75 (Rupees One Thousand Nineteen and Seventy-Five Paise only) each payable in cash ("Warrants Issue Price"), not exceeding ₹100 Crores (Rupees One Hundred Crore only) which could be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (eighteen) months by way of a preferential issue through private placement offer.- Special Resolution.
- Further, on 13<sup>th</sup> December, 2024, the Fund Raising Committee of the Company, allotted the said warrants.
- d. Approval for enhancement of limit for the loan, guarantee and investment by the Company for an amount of ₹2,300 Crores (Rupees Two Thousand Three Hundred Crore only) over and above the limits available to the Company under Section 186 and other applicable provisions of the Companies Act, 2013- Special Resolution.
  - e. Approval for increase in the borrowing limit under Section 180(1)(c) of the Companies Act, 2013, and Rules made thereunder which shall not exceed the higher of (i) sum of ₹3,000 Crores (Rupees Three Thousand Crore only) or (ii) aggregate of the paid-up share capital of the Company, its free reserves and securities premium account - Special Resolution.
  - f. Approval in terms of Section 180(1)(a) of the Companies Act, 2013 and Rules made thereunder for creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company which shall not exceed the higher of (i) sum of ₹3,000 Crores (Rupees Three Thousand Crore only) or (ii) aggregate of the paid-up share capital of the Company, its free reserves and securities premium account- Special Resolution.
10. The members at the Extra Ordinary General Meeting held on January 04, 2025 passed a special resolution approving the issuance of 18,69,000 (Eighteen Lakh Sixty-Nine Thousand) fully paid-up equity shares of face value of ₹2/- (Rupees Two only) each at a price of ₹1,043.33 (Rupees One Thousand Forty-Three and Thirty-Three paise only) per Equity Share including a premium of ₹1,041.33 (Rupees One Thousand Forty-One and Thirty-Three Paise only) per Equity Share, aggregating up to ₹195 Crore (Rupees One Hundred and Ninety-Five Crore) to Shamyak Investment Private Limited and Lata Manek Bhanshali ("Proposed Allottees"), belonging to non-promoter category, by way of a preferential issue on a private placement basis, for cash consideration in accordance with provisions of the Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and as per the applicable provisions of the Companies Act, 2013. Further, on January 13, 2025, the Fund Raising Committee of the Company, allotted the said Equity Shares.
  11. On January 23, 2025, the Fund Raising Committee of the Company, pursuant to the provisions of Chapter VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and Sections 42 and 62 of the Companies Act, 2013 and the rules made thereunder, approved and adopted the Preliminary Placement Document dated January 23, 2025 and the application form in connection with the Qualified Institutions Placement (QIP) of equity shares of face value of ₹2/- each (Rupees Two only) (the "Equity Shares") at a floor price of ₹1,107.89 (Rupees One Thousand One Hundred Seven and Eighty-Nine Paise only) per Equity Share ("Floor Price") based on the pricing formula as prescribed under Regulation 176 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Issue").

The issue was opened on January 23, 2025 and closed on January 28, 2025. Further, the committee, at its discretion, discounted the floor price to ₹1,070 (Rupees One Thousand and Seventy only) per Equity Share. On January 28, 2025, 74,76,635 (Seventy-Four Lakh Seventy-Six Thousand Six Hundred and Thirty-Five) Equity Shares were allotted to eligible Qualified Institutional Buyers at the issue price of ₹1,070 (Rupees One Thousand and Seventy only) per Equity Share (including a premium of ₹1,068 (Rupees One Thousand and Sixty-Eight only) per Equity Share, (which includes a discount of ₹37.89 (Rupees Thirty-Seven and Eighty-Nine Paise only) i.e., 3.42% of the floor price, as determined in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, aggregating to ₹800 Crore (Rupees Eight Hundred Crore only), pursuant to the Issue.

12. Mr. Anuj Narayandas Rathi, Non-Executive and Non-Independent Director (DIN: 00018683) resigned from office as a Non-Executive and Non-Independent Director effective February 14, 2025.

13. The Board at its meeting held on February 27, 2025 approved the following-

a. Issuance of Corporate Guarantee to Infracore GmbH & Co. Höcht KG on behalf of Sudarshan Europe B.V., a Wholly Owned Subsidiary of the Company and the Company, for an amount not exceeding EURO 33.5 Million (Approx. ₹320 Crores)

b. Approved issuance of Corporate Guarantee to Banks / Financial Institutions on behalf of Sudarshan Europe B.V., a Wholly Owned Subsidiary of the Company, for an amount not exceeding EURO 7.15 Million (Approx. ₹66 Crores) in support of the Bank Guarantee amounting to EURO 6.5 Million (Approx. ₹60 Crores) to be issued by Sudarshan Europe B.V. to Infracore GmbH & Co. Höcht KG.

c. Approved issuance of Corporate Guarantee to Standard Chartered Bank and The Hongkong and Shanghai Banking Corporation Limited on behalf of Sudarshan Europe B.V., a Wholly Owned Subsidiary of the Company for 110% of the Facility Amount i.e. EURO 192.5 Million (Approx. ₹1762 Crores) i.e. an additional Corporate Guarantee amounting to EURO 17.5 Million (₹160 Crores) in addition to the earlier approved limit of EURO 175 Million (₹1601 Crores).

14. The members at the Extra Ordinary General Meeting held on March 04, 2025 passed a special resolution approving the proposal for creation of pledge or other security interest on the shareholding of Material Subsidiary and Sale, Disposal and Leasing of assets of the Material Subsidiaries of the Company.

15. On May 27, 2025, the Company made an application to BSE Limited and National Stock Exchange of India Limited seeking extension for submission and publication of audited financial results for the quarter and year ended March 31, 2025 and in accordance with the SEBI Circular No. CIR/CFD/CMD-1/142/2018 dated November 19, 2018, the Company, on May 30, 2025, had intimated the same to the Stock Exchanges stating detailed reasons for delay in submission and publication of audited financial results for the quarter and year ended March 31, 2025. Further, the Company has paid the fines levied by the respective Stock Exchanges in this regard, as on the date of this report.

**Ruchi Bhawe**

Practicing Company Secretary

FCS: 13324 CP: 27019

UIN: I2023MH2474600

PR No.: 5620/2024

UDIN: F013324G000866825

Place: Pune

Date: 25<sup>th</sup> July, 2025

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF  
SUDARSHAN CHEMICAL INDUSTRIES LIMITED (2024-25)  
AUDITORS' RESPONSIBILITY**

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4) -

1. The Secretarial Audit for the financial year has been conducted as per the applicable Auditing Standards.
2. I 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 the secretarial records. I believe that the process and practices that I followed provide a reasonable basis for my opinion that the statements prepared, documents or Records maintained by the Company are free from misstatement.
3. My responsibility is limited to only express my opinion on the basis of evidences collected, information received and Records maintained by the Company or given by the Management. I have not verified the correctness and appropriateness of the financial records and books of accounts maintained by the Company.
4. Wherever required, I have obtained the Management Representation about compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of the Corporate Laws, other applicable laws, rules, regulations and standards is the responsibility of the management. My examination is limited to verification of procedure on test basis.
6. This 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.

**Ruchi Bhave**

Practicing Company Secretary  
FCS: 13324 CP: 27019

Place: Pune

Date: 25<sup>th</sup> July, 2025

## ANNEXURE VII

### STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF RULE 5(2)(I) OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2025

Sr. No.	Name and Age (in years)	Designation	Nature of Employment	Total Remuneration (In ₹)	Qualification and Experience (In years)	Date of Commencement of Service	Last Employment held before joining the Company
1.	Mr. R. B. Rathi (56)	Chairman and Managing Director	Permanent Employee	169,259,271	B.E. Mech. Engg. - MIT, Pune, B. S. Chem. Engg. - Ohio University, USA. M.B.A.- Pittsburgh University - USA (30 years)	1 <sup>st</sup> October, 1992	-
2.	Mr. A. Vij (55)	Wholetime Director	Permanent Employee	23,541,561	B. E. Chem. (29 years)	8 <sup>th</sup> December, 2005	Jubilant Organosys Limited, Gajraula (UP)

- The gross remuneration includes Salary, PLVA, Company's contribution to Provident Fund and Superannuation Scheme, Leave Travel Allowance, Medical, House Rent Allowance, Pension and value of perquisites in respect of car facility, which is calculated in accordance with the provisions of the Income Tax Act, 1961, and the Rules made thereunder.
- The conditions of employment are contractual.
- Other terms and conditions are as per the rules of the Company.
- In terms of Rule 5(2)(iii) of the Companies (Appointment and Remuneration) Rules, 2014, it is clarified that during the Financial Year under review, no employee of the Company was in receipt of remuneration in that year, which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the Working Directors and holds himself / herself along with their spouse and dependent children not less than 2% of the equity shares of the Company.
- Mr. R. B. Rathi, Chairman and Managing Director, forms part of the Promoter and Promoter Group and holds in his individual name 4,050,359 (5.15%) Equity Shares of the Company. Mr. R. B. Rathi is not related to any Director of the Company in terms of the provisions of The Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations, 2015.
- Mr. A. Vij, Wholetime Director is not related to any Director of the Company and holds 4,001 Equity Shares of the Company.
- Details of remuneration of top 10 employees other than Directors which form part of the Directors' Report, will be made available to any member on request, in terms of provision of Section 136(1) of the Companies Act, 2013.

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

S No.	Particulars	Disclosure
1	Corporate Identity Number (CIN) of the Listed Entity	L24119PN1951PLC008409
2	Name of the Listed Entity	Sudarshan Chemical Industries Limited ("Sudarshan/the Company")
3	Year of incorporation	19 <sup>th</sup> February, 1951
4	Registered office address	7 <sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India
5	Corporate address	7 <sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India
6	E-mail	shares@sudarshan.com
7	Telephone	+91 20 682 81 200
8	Website	www.sudarshan.com
9	Financial year for which reporting is being done	1 <sup>st</sup> April 2024 - 31 <sup>st</sup> March, 2025
10	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> <li>National Stock Exchange of India Limited (Equity)</li> <li>BSE Limited (Equity and Debt)</li> </ul>
11	Paid-up Capital	₹15,71,45,770
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<b>Name:</b> Mandar Meenanath Velankar <b>Contact:</b> 020-68281200 <b>Email:</b> mmvelankar@sudarshan.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone-Basis Reporting
14	Name of assessment or assurance provider	TUV India Private Limited (CIN - U74140MH1989PTC052930)
15	Type of assessment or assurance obtained	Limited Assurance (ISAE 3000)

### II. Products/services

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

S No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Chemical and Chemical Products, Pharmaceuticals, Medicinal Chemical and Botanical Products	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of dyes and pigments from any source in basic form or as concentrate	20114	98%
2.	Manufacture of prepared pigments and other coloring matter of a kind used in the manufacture of paints or by artists or other painters	20224	2%

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

Location	Number of plants	Number of offices	Total
National	3*	5	8
International	0	0	0

\*Note – Two (2) manufacturing plants at Roha and Mahad, District, Raigad Maharashtra, India and One (1) R&D center at Ambadwet; Five (5) offices at Pune (Head Office), Delhi, Mumbai, Kolkata and Chennai

**19. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	28 States, 8 Union Territories
International (No. of Countries)	120+ countries

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

- During FY2024-25, the contribution of exports is 51% of the total turnover of Sudarshan

**c. A brief on types of customers**

- Prioritizing customer is a core value and foundation for Sudarshan. Sudarshan is a global leader in color solutions, offering a wide array of products including organic and inorganic pigments, effect pigments, performance colorants, pearlescent pigments, and specialty chemicals. The company primarily caters to industries such as paints and coatings, plastics, printing, cosmetics, and other specialized applications, providing high-quality color solutions essential for manufacturing finished goods

**IV. Employees****20. Details as at the end of the Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,148	867	75.52%	281	24.47%
2.	Other than Permanent (E)	113	99	87.61%	14	12.39%
<b>3.</b>	<b>Total employees (D+E)</b>	<b>1,261</b>	<b>966</b>	<b>76.60%</b>	<b>295</b>	<b>23.39%</b>
<b>WORKERS</b>						
4.	Permanent (F)	202	202	100%	0	NA
5.	Other than Permanent (G)	2,545	2,397	94.18%	148	5.81%
<b>6.</b>	<b>Total workers (F+G)</b>	<b>2,747</b>	<b>2,599</b>	<b>94.61%</b>	<b>148</b>	<b>5.38%</b>

**b. Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	5	3	60%	2	40%
2.	Other than Permanent (E)	2	2	100%	0	Nil
<b>3.</b>	<b>Total differently abled employees (D+E)</b>	<b>7</b>	<b>5</b>	<b>71.43%</b>	<b>2</b>	<b>28.57%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	1	1	100%	0	NA
5.	Other than permanent (G)	0	0	NA	0	NA
<b>6.</b>	<b>Total differently abled workers (F+G)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>NA</b>

**21. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	8	4	50%
Key Management Personnel**	4	0	Nil

Note:

\* As of 31<sup>st</sup> March, 2025, the Company's Board consists of eight members. During the year under review:

- Mr. Dara N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. Sanjay K. Asher (DIN: 00008221) and Mrs. Rati F. Forbes (DIN: 00137326) ceased to be Directors effective close of business hours on 2<sup>nd</sup> August, 2024 due to completion of their second term of five years as Independent Directors.
- Mrs. Sudha N. Navandar (DIN: 02804964), Mrs. Anu A. Wakhlu (DIN: 00122052) and Ms. Bhumika Batra (DIN: 03502004) were appointed as Independent Directors for a term of five years effective 2<sup>nd</sup> August, 2024.
- Mr. Anuj N. Rathi ceased to be a Director due to resignation effective close of business hours on 14<sup>th</sup> February, 2025.

\*\*Key Management Personnel include Mr. Rajesh B. Rathi, Managing Director (DIN: 00018628), Mr. Ashish Vij, Wholtime Director (DIN: 08140194), Mr. Nilkanth Natu, Chief Financial Officer and Mr. Mandar Velankar, General Counsel and Company Secretary

**22. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	10.22%	3.67%	13.89%	12.9%	2.7%	15.6%	12.57%	2.72%	15.30%
<b>Permanent Workers</b>	2.00%	0	2.00%	4.2%	0	4.2%	8.07%	NA	8.07%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)*	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity (direct plus indirect)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Sudarshan North America, Inc.	Step-down subsidiary	100%	No
2.	Sudarshan Europe B.V.	Wholly owned subsidiary	100%	No
3.	Sudarshan (Shanghai) Trading Co. Limited	Step-down subsidiary	100%	No
4.	Sudarshan Mexico S. de R.L. de C.V.	Step-down subsidiary	100%	No
5.	Sudarshan CSR Foundation	Wholly owned subsidiary	100%	No
6.	RIECO Industries Limited	Wholly owned subsidiary	100%	No
7.	Sudarshan Japan Limited	Step-down subsidiary	100%	No
8.	Sudarshan Brasil Ltda.	Step-down subsidiary	100%	No
9.	Sudarshan Middle East General Trading LLC	Step-down subsidiary	100%	No
10.	Heubach Holding Switzerland AG (now Sudarshan Switzerland HLD1 AG)	Step-down subsidiary	100%	No
11.	Heubach EBITO Chemieeteiligungen AG (now Sudarshan Switzerland HLD2 AG)	Step-down subsidiary	100%	No
12.	Sudarshan Europe Management GmbH	Step-down subsidiary	100%	No
13.	Heubach Colorants Middle East FZE (under liquidation)	Step-down subsidiary	100%	No
14.	Heubach Colorants Argentina S.A.U.	Step-down subsidiary	100%	No
15.	Heubach Colorants Belgium SRL (now Sudarshan Belgium SLO SRL)	Step-down subsidiary	100%	No
16.	Heubach Colorants Brasil Ltda. (now Sudarshan Brasil MFG Ltda.)	Step-down subsidiary	100%	No
17.	Heubach Colorants Canada Inc. (now Sudarshan Canada SLO Inc.)	Step-down subsidiary	100%	No
18.	Heubach Colorants Switzerland AG (now Sudarshan Switzerland SLO AG)	Step-down subsidiary	100%	No
19.	Heubach Colorants Consulting Switzerland AG (now Sudarshan Switzerland Consulting AG)	Step-down subsidiary	100%	No
20.	Heubach Colorants Chile Industria Quimica Limitada (now Sudarshan Chile Industria Química Limitada)	Step-down subsidiary	100%	No
21.	Heubach Colorants Pigment Preparations (Tianjin) Ltd.	Step-down subsidiary	100%	No
22.	Heubach Colorants (Shanghai) Ltd.	Step-down subsidiary	100%	No
23.	Heubach Colorants Colombia S.A.S.	Step-down subsidiary	100%	No
24.	Heubach Colorants Ibérica, S.L.U.	Step-down subsidiary	100%	No
25.	Heubach Colorants France SAS (now Sudarshan France SLO SAS)	Step-down subsidiary	100%	No
26.	Heubach Colorants UK Ltd. (now Sudarshan UK SLO Ltd.)	Step-down subsidiary	100%	No
27.	P.T. Heubach Colorants Coatings Indonesia	Step-down subsidiary	100%	No

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)*	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity (direct plus indirect)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
28.	P.T. Heubach Colorants Indonesia	Step-down subsidiary	100%	No
29.	Heubach Colorants India Limited	Step-down subsidiary	100%	No
30.	Heubach Colorants Italy S.r.l. (now Sudarshan Italy SLO S.r.l.)	Step-down subsidiary	100%	No
31.	Heubach Colorants Japan K.K. (now Sudarshan Japan MFG K.K.)	Step-down subsidiary	100%	No
32.	Heubach Colorants Korea Ltd.	Step-down subsidiary	100%	No
33.	Heubach Colorants Malaysia Sdn. Bhd. (now Sudarshan Malaysia SLO Sdn. Bhd.)	Step-down subsidiary	100%	No
34.	Heubach Colorants Peru S.A.C. (under liquidation)	Step-down subsidiary	100%	No
35.	Heubach Colorants Scandinavia AB (under liquidation)	Step-down subsidiary	100%	No
36.	Heubach Colorants Singapore Pte. Ltd. (now Sudarshan Singapore SLO Pte. Ltd.)	Step-down subsidiary	100%	No
37.	Heubach Colorants Ltd. (now Sudarshan MFG (Thailand) Ltd.)	Step-down subsidiary	100%	No
38.	Heubach Colorants Turkey Boya Sanayi ve Ticaret A.S. (now Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.Ş.)	Step-down subsidiary	100%	No
39.	Heubach Colorants Taiwan Co., Ltd.	Step-down subsidiary	100%	No
40.	Heubach Colorants Southern Africa (Pty) Ltd (now Sudarshan Southern Africa MFG (Pty) Ltd.)	Step-down subsidiary	100%	No
41.	Heubach Colorants México, S.A. de C.V.	Step-down subsidiary	100%	No
42.	Heubach Colorants México Productos Químicos, S.A. de C.V.	Step-down subsidiary	100%	No
43.	Heubach Holding S.à r.l (now Sudarshan Lux Holding S.à r.l.)	Step-down subsidiary	100%	No
44.	Heubach Colorants USA LLC (now Sudarshan USA SLO LLC)	Step-down subsidiary	100%	No
45.	Heubach Holding USA LLC (now Sudarshan USA HLD1 LLC)	Step-down subsidiary	100%	No
46.	Heubach Colour Private Limited	Step-down subsidiary	100%	No
47.	Heubach Japan K.K. (now Sudarshan Osaka SLO K.K.)	Step-down subsidiary	100%	No
48.	Heubach Pigments Private Limited	Step-down subsidiary	100%	No
49.	Heubach Research Centre s.r.o	Step-down subsidiary	100%	No
50.	Sudarshan Germany Horizons GmbH	Step-down subsidiary	100%	No
51.	Heubach Ltd. (now Sudarshan Fairless Hills MFG Ltd., LP)	Step-down subsidiary	100%	No
52.	Inventories Frankfurt GmbH	Step-down subsidiary	100%	No
53.	VP4 Frankfurt GmbH	Step-down subsidiary	100%	No
54.	Inventories Langelsheim GmbH	Step-down subsidiary	100%	No
55.	Sudarshan Langelsheim PLT GmbH	Step-down subsidiary	100%	No

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)*	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity (direct plus indirect)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
56.	Sudarshan Langelsheim RE GmbH	Step-down subsidiary	100%	No
57.	Heubach Foundation	Step-down subsidiary	100%	No
58.	Heubach Europa EWIV	Step-down subsidiary	100%	No
59.	Hangzhou Baihe Heubach Pigments Co. Ltd.	Joint Venture	100%	No
60.	Heubach Toyo Colour Private Limited	Joint Venture	100%	No

Note:

\* During the year under review, the Company entered into the agreement for sale of its entire investment held by the Company (in the form of Equity Shares) in Sudarshan Japan Limited, Wholly Owned Subsidiary of the Company to Sudarshan Europe B.V., another Wholly Owned Subsidiary of the Company on 25<sup>th</sup> March, 2025. As a result of this transaction, Sudarshan Japan Limited has ceased to be a Wholly Owned Subsidiary and has become a Step - Down Subsidiary of the Company.

\*On 3<sup>rd</sup> March, 2025, Sudarshan Europe B.V., Wholly Owned Subsidiary of the Company, completed the acquisition of the Global Pigment Business Operations of Heubach Group. Subsequent to the said acquisition, the entities acquired by Sudarshan Europe B.V. and which are forming part of the Sudarshan Chemical Group are mentioned in the table above.

## VI. CSR Details

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

(ii) **Turnover (in ₹ lakh):** ₹2,53,394.50

(iii) **Net worth (in ₹ lakh):** ₹ 2,25,892.70

## VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. Sudarshan has kept complaint register on the main entry gate across the sites for all communities to facilitate anonymous feedback. Additionally, local residents are encouraged to submit their grievances electronically via the designated email address given below: grievance.redressal@sudarshan.com	0	0	NA	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes. Investors can register their grievances at the below email ID - grievance.redressal@sudarshan.com	0	0	NA	0	0	NA
Shareholders	Yes <a href="https://www.sudarshan.com/investorcommunicationpolicy.pdf">https://www.sudarshan.com/investorcommunicationpolicy.pdf</a> Shareholders can register their grievances at the below email ID – grievance.redressal@sudarshan.com	4	1	Complaint remaining unresolved as on 31 <sup>st</sup> March 2025 was treated as resolved after the conclusion of the Financial Year based on the Company's response.	3	1	Complaint remaining unresolved as on 31 <sup>st</sup> March 2024 was treated as resolved after the conclusion of the Financial Year based on the Company's response.
Employees	Yes, (HR Ninja): <a href="https://www.sudarshan.com/connectingpeople/">https://www.sudarshan.com/connectingpeople/</a>	293	38	Employees closure rate: 87%	262	15	Employees closure rate: 94%
Workers	Yes Workers: <a href="https://www.sudarshan.com/connectingpeople/">https://www.sudarshan.com/connectingpeople/</a> Additionally, both employees and workers can register their grievances at the below email ID grievance.redressal@sudarshan.com	176	11	Workers closure rate: 94%	447	96	Workers' closure rate: 78.5%
Customers	Yes, <a href="https://www.sudarshan.com/contact-us/">https://www.sudarshan.com/contact-us/</a> Customers can register their grievances at the below email ID – grievance.redressal@sudarshan.com	183	34	Customers closure rate: 81.4%	236	4	Customers closure rate: 98.3%
Value Chain Partners	Sudarshan assigns dedicated buyers to supplier categories, ensuring consistent and ongoing communication with suppliers.	0	0	No complaints were received from the suppliers.	0	0	No complaints were received from the suppliers.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change and Energy Source Diversification	Risk	The IPCC's Sixth Assessment Report highlights accelerating global warming and intensifying extreme weather, signaling significant physical and transitional climate risks. These developments threaten operational stability and market dynamics, making climate change a critical risk.	Sudarshan is actively reducing its carbon footprint through energy efficiency measures and diversification of energy sources. Additionally, Sudarshan enhances physical infrastructure and expands energy mix to mitigate acute climate impacts and strengthens resilience.	Negative, due to higher capex on mitigation measures.
2.	Human Capital Management	Opportunity	India's transition to a knowledge-based economy, supported by a strong demographic dividend and a skilled workforce, presents a strategic opportunity. This talent pool would enable us to scale operations, drive innovation, and support long-term growth.	Sudarshan ensures equal opportunities for all employees, regardless of gender, race, or religion. Our policies and procedures, supported by continuous online training, reflect our dedication to employee protection and wellbeing. These training initiatives form a core part of our Human Resource strategy.	Positive due to higher productivity
3.	Labor Relationship	Risk	Operating within a complex global value chain in chemical manufacturing exposes us to potential human rights compliance risks. Failure to meet international human rights standards could adversely impact on our operations, damage our reputation, and strain business relationships.	Sudarshan has implemented a comprehensive Human Rights Policy and ensures all employees are trained on its principles. It also actively engages with its value chain partners to promote and manage human rights practices.	Negative due to expenditure on training and due diligence.
4.	Occupational Health & Safety	Risk	Given the inherent nature of our operations, occupational safety presents a significant risk. Any lapse in safety protocols can lead to serious incidents, affecting workforce wellbeing, operational continuity, and regulatory compliance.	Sudarshan has implemented a comprehensive safety strategy that includes behavior-based safety practices, process automation, and asset integrity measures. Also, all the sites are certified to Occupational Health & Safety Management System (ISO 45001:2018).	Negative, due to expenditure on automation, training, and asset management.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Water Management	Risk	Climate change-induced water scarcity and disruptions pose an increasing risk to operations. Additionally, inefficient water use, and pollution can lead to regulatory non-compliance, reputational harm, and potential operational downtime.	Sudarshan sources its daily water needs from the Maharashtra Industrial Development Corporation (MIDC) and have implemented multiple conservation initiatives. These include controlling filtration parameters, achieving maximum water conservation, and recovering condensate to enhance water efficiency. Sudarshan also adheres to World Business Council for Sustainable Development's (WBCSD) WASH Pledge Self-Assessment Tool to evaluate its Safe Water, Sanitation and Hygiene (WASH) facilities and identify gaps in comparison to leading international practices.	Negative, since water scarcity or contamination can disrupt production processes, impacting supply chains and revenue.
6.	Product Innovation	Opportunity	Innovative and sustainable product development presents a strategic opportunity to expand market reach, enhance profitability, and strengthen competitive positioning. Eco-friendly innovations also align with global sustainability trends, attracting environmentally conscious consumers and opening new market segments.	In response to the opportunity for sustainable innovation, Sudarshan implements advanced solutions to reduce environmental impact. These include minimizing HCB content in products, adopting Diethyl Sulfate (DES) for ethylation, and exploring alternative raw materials to improve solvent and catalyst recovery.	Positive, as successful product innovation can drive revenue growth and profitability
7.	Waste Management	Risk	Evolving regulations and growing stakeholder scrutiny around waste management practices pose a significant risk. Non-compliance or inadequate waste handling can lead to legal penalties, reputational damage, and operational disruptions.	Sudarshan has established robust and efficient processes that include the use of recyclable packaging, solvent recovery and reuse, recycling initiatives, and production optimization. Sudarshan also complies with Pollution Control Board guidelines to ensure proper waste disposal. Sudarshan also aims to adopt 4R approach - reducing, reusing, recycling, and recovering materials.	Negative due to expenditure incurred on waste reduction measures and safe handling.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Product Stewardship	Opportunity	Advancements in technology and science now enable more accurate assessment and management of environmental and social impacts across product life cycles. This creates an opportunity to enhance sustainability performance, meet regulatory expectations, and strengthen stakeholder trust.	Sudarshan has implemented measures to reduce persistent organic pollutants (POPs) and ensure low VOC content in our products. Sudarshan complies with stringent international standards, including EU REACH, USFDA, Turkey REACH, UK REACH, the US Toxic Substances Control Act, and TPCH.	Positive, due to enhanced stakeholder trust.
9.	Supplier Sustainability	Risk	The complexity and diversity of global supply chains introduce risks related to cost volatility, quality inconsistencies, and potential disruptions, which can impact operational efficiency and product reliability.	Sudarshan implements Supplier-51 program to engage with its suppliers on both financial and non-financial parameters, ensuring greater transparency, risk mitigation, and supply chain resilience. Also, Sudarshan's Responsible Sourcing Policy ensures compliance with labour laws, including zero tolerance for child and forced labour. Sudarshan also prioritizes suppliers being compliant with environmental and social standards through 100% screening for new suppliers on ESG criteria, evaluating factors like environmental clearances, labour standards and human rights protection. The preferred suppliers maintain certifications like ISO 14001, ISO 45001, or equivalent standards, ensuring alignment with Sudarshan's sustainability objectives.	Negative, due to expenditure on supplier due diligence.
10.	Product Quality & Excellence	Opportunity	Delivering superior product quality presents a strong opportunity to enhance market share, brand reputation, and customer loyalty. High standards in quality can secure long-term contracts, differentiate offerings, and drive sustained revenue growth.	Sudarshan focuses on customer health and safety by offering environmentally sustainable, high-performance products developed through advanced R&D. Our open-door approach, inviting customers to visit our plants and labs, reinforces transparency and trust in our quality standards.	Positive due to higher profit margins, increased sales, reduced operational costs, and improved overall financial performance, positioning the company as an industry leader

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11.	Air Pollution	Risk	Stringent emissions regulations pose financial and reputational risks, including potential fines and compliance costs. Environmental harm can damage brand image, while poor air quality may impact employee health, leading to increased healthcare expenses and reduced productivity.	Sudarshan complies with rigorous air quality standards by using low-sulfur coal and equipping all exhaust stacks with Electro-Static Precipitators (ESP) and Scrubbers. These measures ensure our emissions remain well below regulatory limits.	Negative due to increased operational costs
12.	Corruption and Bribery	Risk	Corruption and bribery present serious risks by undermining ethical standards, damaging corporate integrity, and exposing the company to legal penalties and reputational harm, which can erode stakeholder trust and business continuity.	Sudarshan ensures effective implementation of strict zero-tolerance policy supported by our Code of Conduct (COC) and Whistle Blower Policy. These frameworks extend across all levels of operation to prevent unethical practices and ensure integrity throughout the organization.	Negative, due to potential legal fines, penalties, and reputational damage impacting customer trust and investor confidence. Corrupt practices may distort fair competition, eroding market share and profitability.
13.	Competitive Practices	Risk	Participation in anticompetitive practices such as price-fixing or monopolistic behavior can result in severe legal consequences, substantial financial penalties, and reputational damage, threatening long-term business sustainability.	In response to the risks associated with anticompetitive behavior, Sudarshan provides comprehensive training on Sudarshan's Code of Conduct to all employees. This reinforces its commitment to complying with antitrust, anti-corruption, and anti-bribery laws across all levels of the organization.	Negative, due to potential legal costs, fines, and the erosion of profits.

IPCC: Intergovernmental Panel on Climate Change

MIDC: Maharashtra Industrial Development Corporation

HCB: Hexachlorobenzene

DES: Diethyl Sulfate

POP: Persistent Organic Pollutants

VOC: Volatile Organic Content

EU REACH: European Union Registration, Evaluation, Authorisation and Restriction of Chemicals

USFDA: United States Food and Drug Administration

Turkey REACH: Turkey Registration, Evaluation, Authorisation and Restriction of Chemicals

UK REACH: United Kingdom Registration, Evaluation, Authorisation and Restriction of Chemicals

US Toxic Substance Control Act: US Registration, Evaluation, Authorisation and Restriction of Chemicals

TPCH: Transaction Processing and Database Benchmark specific to decision support (TPCH)

R&D: Research & Development

ESP: Electro-Static Precipitators

COC: Code of Conduct

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Sudarshan has updated all of its corporate policies on its website, which are Board-approved. Please refer to the link to view the updated policies: <a href="#">Company Policies</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>Sudarshan has adopted several national and international standards aligning to respective NGRBC Principles:</p> <ul style="list-style-type: none"> <li>• <b>ISO 9001:2015</b> - Principle 2</li> <li>• <b>Responsible Care (RC 14001)</b> - Principle 2, 3, 6</li> <li>• <b>ISO 14001:2015</b> - Principle 6</li> <li>• <b>ISO 45001:2018</b> - Principle 3</li> <li>• <b>ISO 27001</b>: Principle 9</li> <li>• <b>ISO 20400</b>: Principle 3</li> </ul> <p>Sudarshan is also committed to ensuring policies aligned with best practices in the industry and contribute to the safety and well-being of its stakeholders.</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Sudarshan has adopted the following ESG goals and targets:</p> <p><b>Environmental:</b></p> <ul style="list-style-type: none"> <li>• To reduce specific energy consumption by 6% year-on year till 2030</li> <li>• To reduce absolute GHG emissions (Scope 1 and Scope 2) by 42.4% by FY 2030-31 from baseline 2022</li> <li>• To reduce specific water withdrawal by 20% by FY 2025-26 from baseline of FY 2020-21</li> <li>• To achieved zero waste to landfill by FY 2030-31</li> </ul>								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	<p><b>Social:</b></p> <ul style="list-style-type: none"> <li>• 60% overall inclusion by FY 2025-26               <ul style="list-style-type: none"> <li>➤ 30% women participation in the overall workforce</li> <li>➤ Inclusion of PWD (2%)</li> <li>➤ 60 % population should be &lt; 30 years</li> </ul> </li> <li>• Great place to work - gold standards list (top 100) by 2025.</li> <li>• Safety culture maturity score of a minimum of 80% by 2025</li> <li>• Zero process safety events (Tier 1 and 2 as per API 754) by 2025</li> <li>• Screening of all new vendors on ESG criteria w.e.f., FY 2024-25</li> <li>• FY 2025-26: Evaluate all critical suppliers</li> <li>• Average 6 person-hours of ESG training annually</li> <li>• Compute SROI on CSR initiatives and engage with local bodies on quarterly basis</li> <li>• 100% training of employees and security personnel on HR Policy</li> <li>• 100% complaint redressal on Violation of Rights</li> </ul> <p><b>Manufacturing Excellence:</b></p> <ul style="list-style-type: none"> <li>• Life Cycle Impact Assessment (LCIA) of products with over 35% of projected FY 2024-25 revenue.</li> <li>• Elimination of hazardous manual operations by 2026</li> </ul> <p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>• 30% women Directors on the Board by FY2025-26</li> <li>• Annual 8 hrs. of L&amp;D on ESG for all directors w.e.f. FY 2023-24</li> <li>• Quarterly Reporting to Board on ESG parameters w.e.f. FY 2023-24</li> <li>• 100% compliance with all applicable regulations</li> <li>• Half-yearly Penetration Testing of systems and networks w.e.f. FY 2023-24</li> <li>• Implement Business Continuity Plan for critical business applications by FY 2024-25</li> <li>• 2 person hours (avg.) training on cyber security w.e.f., FY 2023-24</li> <li>• Zero mid &amp; high-level data breaches on data privacy</li> </ul> <p>Detailed Goals &amp; Targets adopted by the Company can be accessed in its ESG Report for FY 2024-25</p>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Sudarshan's performance against the ESG targets will be disclosed in its ESG Report FY 2024-25								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>At Sudarshan Chemical Industries Limited, sustainability forms foundational element of our business strategy. Sudarshan has institutionalized sustainability through a formal Sustainability Scheme, aligned with global ESG standards and frameworks including the Science Based Targets initiative (SBTi), the Global Reporting Initiative (GRI), Responsible Care and India's Business Responsibility and Sustainability Report (BRSR). Sudarshan is also dedicatedly aligned, committed and signatory to global ESG ratings and commitments including EcoVadis, DJSI, CDP and UNGC commitment.</p> <p>Environmental considerations are systematically integrated into Sudarshan's business planning processes, reinforcing a culture of transparency and accountability.</p> <p>Sudarshan is also focused on developing an inclusive and supportive work environment that upholds gender diversity, non-discrimination, and work-life balance and promotes multi-generational workforce. The health, safety, and well-being of employees remains a top priority, alongside delivery of high-quality products and services. Furthermore, for a diverse workplace, Sudarshan believes that board diversity enriches decision-making, strengthens governance, and drives long-term value.</p> <p>Sudarshan also places strong emphasis on the adoption of Environmental, Social, and Governance principles across its value chain, aligning its operations with global standards for responsible and sustainable business conduct.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Rajesh B. Rathi, Chairman and Managing Director and the Board of Directors of the Company								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes,</p> <p>The ESG Steering Committee at Sudarshan, chaired by the Managing Director, is a cross-functional team that convenes monthly to assess progress toward established goals. It approves Sudarshan's ESG policy, reviews existing policies, provides recommendations, oversee implementation of ESG strategy, disclosing ESG performance to external stakeholders, improving external ESG ratings, and advises Board Committees on ESG metrics. Its members include the Executive Director and VP Operations, Head of People Practice and Chief Sustainability Officer, General Counsel &amp; Company Secretary, and Head of R&amp;D.</p> <p>The Steering committee is supported by ESG Working Group composed of representatives from various business functions, responsible for implementing ESG initiatives, tracking KPIs, developing progress reports, identifying ESG issues, reviewing risks and opportunities and recommending policies and tracking sustainability trends. This group reports to ESG Steering Committee and provide monthly performance updates.</p>								

**10. Details of Review of NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Steering Committee									Monthly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Steering Committee									Monthly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No					NA			

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**
**PRINCIPLE 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable**
**Essential Indicators**
**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	PRINCIPLE 1: <ul style="list-style-type: none"> <li>• Operation Plans and Strategy Discussions</li> <li>• Internal Audit and Compliance Process</li> <li>• SEBI Regulations, Secretarial Standards and other regulatory updates</li> <li>• Business Updates on Subsidiaries</li> <li>• Risk Management and Internal Control, Whistleblower Policy</li> </ul>	100%
		PRINCIPLE 8: <ul style="list-style-type: none"> <li>• CSR Framework related updates</li> </ul>	

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
<b>Key Managerial Personnel</b>	6	<p>PRINCIPLE 1:</p> <ul style="list-style-type: none"> <li>• Operation Plans and Strategy Discussions</li> <li>• Internal Audit and Compliance Process</li> <li>• SEBI Regulations, Secretarial Standards and other regulatory updates</li> <li>• Business Updates on Subsidiaries</li> <li>• Risk Management and Internal Control, Whistleblower Policy</li> </ul> <p>PRINCIPLE 8:</p> <ul style="list-style-type: none"> <li>• CSR Framework related updates</li> </ul>	100%
<b>Employees other than BoD and KMP</b>	30 (Total of 92 sessions held across Roha, Mahad and Sutarwadi; 1 topic considered as 1 session)	<p>PRINCIPLE 3:</p> <ul style="list-style-type: none"> <li>• Health &amp; safety related awareness program.</li> </ul> <p>PRINCIPLE 5:</p> <ul style="list-style-type: none"> <li>• ESG &amp; Human Rights Policy training coverage</li> </ul> <p>PRINCIPLE 6:</p> <ul style="list-style-type: none"> <li>• ESG Train-the-Trainer (TTT), ESG awareness</li> <li>• Executive Development Programme ("EDP") batch, Manager Development Programme ("MDP") batch</li> <li>• ETP Operations</li> <li>• ETP and Environmental Awareness</li> <li>• Waste Management – Circularity and Recycle</li> </ul>	88.1%
<b>Workers</b>	4	<p>PRINCIPLE 3:</p> <p>All workers are actively engaged in a health and safety-related toolbox talk and learning session to ensure their well-being and awareness of safety protocols.</p>	100%

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	No penalties amount was paid in FY 2024-25	NA	NA	NA	NA
Settlement	No settlement amount was paid in FY 2024-25	NA	NA	NA	NA
Compounding fee	No compounding fees amount was paid in FY 2024-25	NA	NA	NA	NA

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	No imprisonments observed in FY 2024-25	NA	NA	NA
Punishment	No punishments observed in FY 2024-25	NA	NA	NA

Note:

\*Due to delay in submission of audited financial results (standalone and consolidated) for the quarter and year ended 31<sup>st</sup> March, 2025, BSE Limited and National Stock Exchange of India Limited levied fine on the Company during FY 2025-26 and which was paid by the Company within the prescribed timeline. However, since the aforesaid fine was levied and paid during FY 2025-26, it is not mentioned in the table above.

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

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

Sudarshan is committed to removing corruption and bribery from its business practices, actively avoiding any participation in or support of unethical or illegal conduct. Sudarshan enforces a strict zero-tolerance policy toward corruption, reinforced by its Code of Conduct and Whistleblower Policy, which provides strong protections against fraud at all levels. By conducting thorough risk assessments, Sudarshan proactively detects and mitigates risks related to corruption, bribery, and anti-competitive behavior throughout our operations.

Link to the policies:

- 1) <https://www.sudarshan.com/corporate-code-of-conduct-policy.pdf>
- 2) <https://www.sudarshan.com/whistle-blower-vigil-mechanism-policy.pdf>

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

	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Category	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

During FY2024-25, no such instances have occurred across Sudarshan

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

	FY 2024-25	FY 2023-24
Number of days of accounts payables	85	130.07

**9. Open-ness of business**

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

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	10%	7%
	b. Number of trading houses where purchases are made from	379	364
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	76%	75%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	39.64%	54.75%
	b. Number of dealers / distributors to whom sales are made	119	88
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	46.26%	65.07%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.28%	0.089%
	b. Sales (Sales to related parties / Total Sales)	22.67%	18.45%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	73.70%	11.71%
	d. Investments (Investments in related parties / Total Investments made)	75.17%	NA

**Leadership Indicators**

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

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
6	1. Principle 5: Supplier Sustainability Trainings (2 trainings) 2. Principle 6: Identification of GHG Scope 1, Scope 2 and Scope 3 targets 3. Principle 9: Customer presentation about climate change 4. Principle 2: Life Cycle Impact Assessment 5. Principle 1: Governance Structure	40%

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

Yes, the Board members and Senior Executives comply with the 'Code of Conduct for Directors and Senior Management Personnel,' which requires them to disclose any personal or business interests that may conflict with the Company's objectives. They also submit an annual declaration affirming their commitment to act in the best interests of the Company to avoid any conflicts arising from external associations or dealings.

Link to access the Code of Conduct for Directors and Senior Management Personnel: [Click here](#)

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

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	79.80%	83.03%	<ul style="list-style-type: none"> <li>Reducing POPs in products</li> <li>Waste reduction</li> <li>Solvent Recovery</li> <li>Yield Improvement</li> </ul>
Capex	20.20 %	16.96%	<ul style="list-style-type: none"> <li>Solar installation</li> <li>ETP modification</li> </ul>

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, Sudarshan has procedures in place for sustainable sourcing. Sudarshan understands the importance of embedding strong ESG principles into its procurement and supply chain operations. Sudarshan's "Responsible Supply Chain Initiative" aims at promoting sustainable sourcing while minimizing reliance on a single source. As part of this effort, Sudarshan has integrated processes to evaluate suppliers on social and environmental criteria, and prioritize local suppliers provided they meet the quality and sustainability standards to help drive regional economic growth.

- b. If yes, what percentage of inputs were sourced sustainably?**

- In FY 2024-25, 50.86% of the inputs were sourced sustainably

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

S. No.	Product	Process to safely reclaim the product
a.	Plastics (including packaging)	Due to contamination in packaging materials, reclaiming and reusing them is not feasible. Additionally, recovering pigments from end-use products is technologically impractical. As a result, Sudarshan does not reclaim or reuse its products at the end-of-life stage.
b.	E-Waste	Sudarshan's products do not result in the generation of electronic waste at the end of their lifecycle.
c.	Hazardous Waste	Sudarshan's products become an integral part of the final goods produced by its customers, making it impractical to reclaim them at the end-of-life stage.

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

Yes, Sudarshan's business operations fully comply with Extended Producer Responsibility (EPR) regulations, and it is a registered importer. Sudarshan is also committed to avoiding the production of any plastic materials and instead utilize recycled plastic packaging as its primary raw material. Also, Sudarshan ensures that all plastic waste generated is responsibly sent for recycling, in line with the approvals granted by the Pollution Control Board.

## Leadership Indicators

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

- Sudarshan has conducted detailed Life Cycle Assessment of select products. The details are tabulated below:

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective /Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
20114	Quinacridone, Quinophthalone, Dioxazine Pigment, Effect Pigments and Complex Inorganic Color Pigment (CICP)	22.32%	Cradle-to-gate	Yes	No

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

The LCA study did not provide evidence of any significant environmental and social concerns. The study showed that gate-to-gate environmental footprint caused by use of steam and power which is currently generated from fossil fuels. The Company has developed a plan to diversify energy mix by use of biofuels, which will mitigate gate-to-gate environmental impact substantially.

Name of the Product/Service	Description of the Risk/Concern	Action Taken
Quinacridone	Nil	NA
Quinophthalone	Nil	NA
Dioxazine Pigment	Nil	NA
Effect Pigments	Nil	NA
Complex Inorganic Color Pigment (CICP)	Nil	NA

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Methanol	84%	82.7%

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

	FY 2024-25			FY 2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

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

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

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

**Essential Indicators**

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	867	867	100%	867	100%	NA	NA	867	100%	867	100%
Female	281	281	100%	281	100%	281	100%	NA	NA	281	100%
<b>Total</b>	<b>1,148</b>	<b>1,148</b>	<b>100%</b>	<b>1,148</b>	<b>100%</b>	<b>281</b>	<b>24.47%</b>	<b>867</b>	<b>75.52%</b>	<b>1,148</b>	<b>100%</b>
<b>Other than Permanent Employees</b>											
Male	99	99	100%	99	100%	NA	NA	0	NA	99	100%
Female	14	14	100%	14	100%	14	100%	NA	NA	14	100%
<b>Total</b>	<b>113</b>	<b>113</b>	<b>100%</b>	<b>113</b>	<b>100%</b>	<b>14</b>	<b>12.38%</b>	<b>0</b>	<b>NA</b>	<b>113</b>	<b>100%</b>

Note:

Other than permanent employees covered under ESIC excluding paternity benefits

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	202	202	100%	202	100%	NA	NA	0	NA	202	100%
Female	0	0	NA	0	NA	0	NA	NA	NA	0	NA
<b>Total</b>	<b>202</b>	<b>202</b>	<b>100%</b>	<b>202</b>	<b>100%</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>	<b>202</b>	<b>100%</b>
<b>Other than Permanent Workers</b>											
Male	2,397	2,397	100%	2,397	100%	NA	NA	NA	NA	2,397	100%
Female	148	148	100%	148	100%	148	100%	NA	NA	148	100%
<b>Total</b>	<b>2,545</b>	<b>2,545</b>	<b>100%</b>	<b>2,545</b>	<b>100%</b>	<b>148</b>	<b>5.81%</b>	<b>NA</b>	<b>NA</b>	<b>2,545</b>	<b>100%</b>

Note:

- Under ESIC act Health insurance, accident insurance and maternity benefits are applicable to all Contract Workers (Other than Permanent workers)
- Other than PW they are covered under workmen compensation policy.

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

	<b>FY 2024-25</b>	<b>FY 2023-24</b>
Cost incurred on well-being measures as a % of total revenue of the company	0.07%	0.045%

## 2. Details of retirement benefits, for current FY and previous FY:

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	31%	100%	Y	33%	100%	Y

## 3. Accessibility of workplaces

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

Sudarshan actively promotes an inclusive workplace by valuing and supporting individuals with disabilities. In alignment with the Rights of Persons with Disabilities Act, 2016, Sudarshan has integrated accessible infrastructure including walkway ramps, wheelchair access, and specially designed washrooms throughout its premises to meet the needs of differently abled individuals. By offering such facilities, Sudarshan ensures equal opportunities for all employees to thrive and contribute to their unique abilities. Consistent with its ESG, Diversity & Inclusion, and Human Rights Policy, the company is committed to upholding the rights and ensuring inclusion of persons with disabilities and fostering a culture of dignity, respect, and inclusion for everyone.

Diversity & Inclusion Policy: <https://www.sudarshan.com/diversity-and-inclusion-policy.pdf>

Human Right Policy: <https://www.sudarshan.com/human-right-policy.pdf>

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

Yes, Sudarshan has an Equal Employment Policy in place in accordance with Rights of Persons with Disabilities Act, 2016.

Web-link to access the policy: Diversity & Inclusion Policy ; Equal Employment Policy

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	Nil	Nil
Female	100%	33%	Nil	Nil
<b>Total</b>	100%	88%	Nil	Nil

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes,</p> <p>IR Ninja and Works Committee as per The Industrial Dispute Act, 1947 have been established.</p> <p>A monthly Works Committee meeting is held to facilitate open communication and direct dialogue between the worker representatives and management for collaborative resolution. On behalf of the workers, the recognized union committee members participate in the meeting. From the management of Sudarshan, the Site Head, IR (Industrial Relations) Head, and IR team are available in the meeting.</p> <p>During these meetings, the union committee discussed grievances, issues, or suggestions raised by the workers. The forum serves as an important platform for addressing concerns, promoting mutual understanding, and working collaboratively towards resolving workplace matters in a constructive manner.</p>

	<b>Yes/No (If yes, then give details of the mechanism in brief)</b>
Other than Permanent Workers	<p>Yes, the IR Ninja serves as a structured platform for open and empathetic dialogue between labor and management, fostering mutual problem-solving and collaborative growth. Recognizing the pivotal role of contract workmen in the company's growth, the program addresses historical gaps in inclusiveness by prioritizing their working conditions, engagement levels, well-being, and participation in productivity and multi-tasking initiatives. It supports capacity-building for manpower contractors—often local villagers—with limited awareness of labour laws, thereby improving compliance and workplace practices while aligning individual, departmental, and organizational goals.</p>
Permanent Employees	<p>Yes</p> <p>The Company has appointed internal committee to address employee grievances.</p> <p>Our Grievance redressal process is as below:</p> <ol style="list-style-type: none"> <li>1) <b>HR Ninja &amp; Suda Interconnect:</b> HR Ninja is an employee-connect initiative aimed at resolving HR-related queries and concerns of employees across Sudarshan. It acts as first point of contact for employees, maintaining a pulse on issues, and providing quick guidance or escalation where necessary. It maintains data on employee queries and connects trends in their respective excel trackers. Suda Interconnect are quarterly location level townhall meetings, where site leadership communicates quarterly performance along with future plans.</li> <li>2) <b>Suda Connect:</b> Annual Company level town hall meeting with all employees.</li> <li>3) Lean Daily Management meetings</li> <li>4) Department level meetings</li> </ol>
Other than Permanent Employees	<p>Yes</p> <p>Monthly meetings</p> <p>HR Ninja. It resolves the following issues:</p> <ul style="list-style-type: none"> <li>• Leave and attendance clarifications.</li> <li>• Salary and payroll-related queries</li> <li>• Career development guidance</li> <li>• Insurance and medical benefits queries</li> <li>• Settling-in support for new joiners</li> <li>• Training needs identification</li> <li>• General support and handholding for workplace challenges</li> </ul> <p>The key redressal process to address the identified issues are:</p> <ul style="list-style-type: none"> <li>• Query Receipt – Employee approaches HR Ninja with a concern or query.</li> <li>• Recording – Ninja logs the query in their Excel tracker for record-keeping and follow-up.</li> <li>• Resolution at Source – Ninja addresses the query directly if within their scope.</li> <li>• Escalation – If the issue requires higher-level intervention, Ninja escalates to the HR/IR Sr. Ninja.</li> <li>• Stakeholder Discussion – Ninjas generate query sheets and discuss them with relevant stakeholders (e.g., payroll, training, managers).</li> <li>• Feedback to Employee – Resolved status and updates are communicated back to the employee</li> </ul>

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

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total permanent employees</b>	<b>1,148</b>	<b>0</b>	<b>0%</b>	<b>1,036</b>	<b>0</b>	<b>0%</b>
Male	867	0	0%	819	0	0%
Female	281	0	0%	217	0	0%
<b>Total permanent workers</b>	<b>202</b>	<b>202</b>	<b>100%</b>	<b>212</b>	<b>212</b>	<b>100%</b>
Male	202	202	100%	212	212	100%
Female	0	0	0%	0	0	NA

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On health and safety measures		On Skill Upgradation		Total (D)	On health and safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	966	642	66.45%	713	73.80%	842	702	83.37%	695	82.54%
Female	295	224	75.93%	228	77.28%	222	197	88.73%	180	81.08%
<b>Total</b>	<b>1,261</b>	<b>866</b>	<b>68.67%</b>	<b>941</b>	<b>74.62%</b>	<b>1,064</b>	<b>899</b>	<b>84.49%</b>	<b>875</b>	<b>82.23%</b>
<b>Workers</b>										
Male	2,599	2,599	100%	2,599	100%	2,641	2,641	100%	2,641	100%
Female	148	148	100%	148	100%	115	115	100%	115	100%
<b>Total</b>	<b>2,747</b>	<b>2,747</b>	<b>100%</b>	<b>2,747</b>	<b>100%</b>	<b>2,756</b>	<b>2,756</b>	<b>100%</b>	<b>2,756</b>	<b>100%</b>

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	966	687	71.12%	842	717	85.15%
Female	295	152	51.53%	222	147	66.21%
<b>Total</b>	<b>1,261</b>	<b>839</b>	<b>66.53%</b>	<b>1,064</b>	<b>864</b>	<b>81.20%</b>
<b>Workers</b>						
Male	2,599	0	0%	2,641	0	0%
Female	148	0	0%	115	0	NA
<b>Total</b>	<b>2,747</b>	<b>0</b>	<b>0%</b>	<b>2,756</b>	<b>0</b>	<b>0%</b>

Note:

Permanent workers undergo settlement activity every three year Workers: collective bargaining for contractual employee

10. Health and safety management system:

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

Yes, Sudarshan has an Occupational Health & Safety Management System in place, wherein 100% of its sites are ISO 45001:2018 certified

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

Sudarshan’s Risk Management System is designed to identify, evaluate, and control health and safety hazards, and credible risk scenarios related to its operations. It ensures that all personnel entering its industrial sites are fit for duty and not impaired by fatigue or substances that could affect their ability to work safely. Sudarshan remains committed to reducing process safety incidents and thus, actively promote risk awareness among its workforces. It also implements technical safeguards and fosters leadership culture that emphasizes the importance of process safety. Sudarshan has also partnered with Risk Management Services and developed a structured Process Safety Management (PSM) framework. It’s Risk Management System methodically identifies, evaluates, and handles health and safety hazards and plausible risk scenarios linked to its operations. Also, a task force is set up to undergo PSM element training for all employees and workers at each stage.

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

Yes, all employees and workers actively participate in identifying hazards related to their tasks through the “Hazard Identification and Risk Assessment” (HIRA) process. This approach enables the reporting of potential risks and the implementation of appropriate control measures to effectively prevent and mitigate those risks.

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

Yes, Sudarshan ensures that all employees/workers receive full medical care, addressing any medical needs that may arise, whether emergency or otherwise.

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

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.171	0.581
Total recordable work-related Injuries	Employees	0	0
	Workers	9	82
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	1	3

\*Including in the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Sudarshan is deeply committed to employee safety and is striving to become an industry leader in this area by aiming for a workplace free from fatalities and serious injuries. It’s ‘Zero Harm’ goal focuses on strengthening operational safety, fostering a culture of safety, enhancing employee skills, implementing a strong safety governance framework, and optimizing asset performance.

Our Risk Management System systematically identifies, evaluates, and manages health and safety hazards, and credible risk scenarios associated with our operations. Sudarshan also ensures that all employees entering its industrial sites are fit for duty and free from fatigue or substances that could impair their ability to work safely.

Sudarshan actively promotes working toward reducing process safety incidents and raises awareness of potential risks among our workforces. To support this effort, Sudarshan has introduced technical controls and cultivating a leadership culture that prioritizes process safety. In collaboration with Expert Partner Risk Management Services, Sudarshan has established structured Process Safety Management (PSM) framework within the organization.

Key initiatives under this framework include the implementation of an Energy Isolation Matrix, Personal Protective Equipment (PPE) Matrix, and a Confined Space Emergency Rescue Kit.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
<b>Working Conditions</b>	0	0	NA	0	0	NA
<b>Health &amp; Safety</b>	0	0	NA	0	0	NA

**14. Assessments for the year:**

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

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

Sudarshan has implemented several corrective measures to enhance safety and address safety-related incidents. These initiatives include:

- Monthly theme-based safety campaigns are conducted to enhance awareness among shop floor employees.
- Several reward and recognition schemes have been implemented, including on-the-spot recognition, safety "Good Job Done" cards, best safety suggestion awards, etc.
- Initiated issuing Stop Work Authority, that empowered all employees, including contract workers, to halt unsafe work.
- Sharing lessons learnt from incidents that have occurred at Sudarshan and other organizations essential for taking preventive action across all sites.
- A completed PHA/HAZOP study of critical plants, along with the required CAPEX, had been submitted for the implementation of HAZOP recommendations.
- The leadership team has also enhanced daily interactions with the line team, leading to a significant improvement in their understanding of risks and the necessary control measures.
- Sudarshan has also engaged expert partner for improving safety culture and continuous assessment of its SMS & PSM safety system for achieving excellence in safety.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Employees: Yes

(B) Workers: Yes

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

Sudarshan ensures that statutory dues are deducted by third-party contractors through the inclusion of appropriate payment terms in contract agreements.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	1	3	1	3

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

Yes, Sudarshan provides transition assistance programs to facilitate continued employability and management of career ending due to retirement or termination of employment

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	75%
Working Conditions	75%

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

Sudarshan has initiated its journey to assess its value chain partners on health and safety practices. Sudarshan adopted a Supplier Assessment Questionnaire (SAQ) based on ESG criteria, which was extended to all its tier-1 suppliers. Sudarshan also conducted periodic meetings with all the suppliers through various communication channels like vendor portals, emails, phones, conferences, exhibitions and social media, particularly with critical suppliers to strengthen the supplier relationship. Sudarshan aims to initiate conducting audit of its suppliers on ESG parameters in a phased manner, in the subsequent years.

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

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Sudarshan prioritizes both internal and external stakeholders based on their relevance to and impact on our business. Throughout the year, Sudarshan actively engaged with key stakeholders through various channels to understand their needs and expectations.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & contractual workforce	No	<ul style="list-style-type: none"> <li>Organization-level communication</li> <li>Department-level communication</li> <li>Individual-level communication</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Monthly</li> <li>Daily</li> </ul>	<ul style="list-style-type: none"> <li>Communicate on business goals, values, and principles</li> <li>Facilitate learning and developing</li> <li>Track key performance indicators</li> <li>Grievance redressal</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Board of Directors	No	<ul style="list-style-type: none"> <li>Understanding and addressing company concerns</li> <li>Business operations and company performance</li> <li>Economic value generated and distributed</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Need based</li> </ul>	<ul style="list-style-type: none"> <li>Understanding and addressing company concerns</li> <li>Business operations and company performance</li> <li>Economic value generated and distributed</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Customer portal, email, &amp; phone communication</li> <li>Customer visits</li> <li>Conference &amp; exhibitions</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Monthly</li> <li>Daily</li> </ul>	<ul style="list-style-type: none"> <li>Value addition</li> <li>Quality and perfection</li> <li>Customer-centric R&amp;D</li> <li>Transparency and trust</li> <li>Customer Health &amp; Safety</li> </ul>
Industry forums and peers	No	<ul style="list-style-type: none"> <li>Industry forum meetings</li> <li>Executive committees</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Need based</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative and mutual learning</li> <li>Relationship building</li> </ul>
Communities	No	<ul style="list-style-type: none"> <li>Community meets</li> <li>Employee volunteering</li> <li>Need assessment survey</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Need based</li> </ul>	<ul style="list-style-type: none"> <li>Understanding and addressing their concerns</li> <li>Local community upliftment</li> <li>SUDHA (Sudarshan's Holistic Aspirations) initiatives</li> </ul>
Regulatory Bodies	No	<ul style="list-style-type: none"> <li>Annual report</li> <li>Press releases</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory compliances</li> <li>Relationship building</li> <li>Discussions on major investment plans</li> <li>Understanding upcoming regulations and policies</li> </ul>
Shareholders / providers of capital	No	<ul style="list-style-type: none"> <li>Annual report</li> <li>Investor relation</li> <li>Investor presentations</li> <li>Press releases</li> <li>Stock Exchange Disclosures</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Monthly</li> <li>Event based</li> </ul>	<ul style="list-style-type: none"> <li>Information to shareholders</li> <li>Return on investment</li> <li>Transparency and disclosures</li> </ul>
Media	No	<ul style="list-style-type: none"> <li>Media forums</li> <li>Press releases</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Need based</li> </ul>	<ul style="list-style-type: none"> <li>Product promotion</li> <li>Timely disclosure and dissemination of accurate and relevant information to society and community</li> </ul>
Vendors / suppliers	No	<ul style="list-style-type: none"> <li>Vendor portal</li> <li>Vendor visits</li> <li>Email &amp; phone communications</li> <li>Conferences and exhibitions</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Weekly for critical suppliers</li> <li>Monthly</li> </ul>	<ul style="list-style-type: none"> <li>Building supplier relations</li> <li>Supply chain sustainability</li> <li>Competitive pricing</li> </ul>

### Leadership Indicators

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

Sudarshan employs a diverse range of communication channels to engage with its stakeholders, including one-on-one meetings, annual meetings, training sessions, group discussions, surveys, and grievance mechanisms. The Company carefully evaluates stakeholder concerns and incorporates their feedback into key decisions. It continuously enhances its engagement processes to foster greater participation and build stronger relationships. To ensure robust governance and effective management of ESG initiatives, Sudarshan has established an ESG Steering Committee. This Committee supports the Board of Directors (BOD) by providing oversight and guidance on the Company's Environmental, Social, and Governance (ESG) efforts. It plays a pivotal role in shaping the sustainability strategy, setting goals, and prioritizing workplace safety, stakeholder interests, and environmental stewardship. An ESG Working Group has also been constituted to ensure the implementation of ESG initiatives. This group coordinates with various functions, develops progress reports, communicates with stakeholders, identifies material ESG issues, and recommends relevant policies and actions. Additionally, the CSR Committee reviews initiatives against the annual plan and ensures transparent monitoring. It is responsible for formulating the CSR policy, recommending budgets, overseeing project and program implementation, ensuring compliance with applicable laws, and promoting community engagement. The Committee also ensures that any surplus funds generated from CSR activities are not diverted to business profits.

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

Yes, Sudarshan conducted a comprehensive materiality assessment through active engagement with both its internal and external stakeholders. This led to identification of key material topics and adopted appropriate actions for managing associated risks and opportunities.

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

No instances were reported in FY25

### PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

#### Essential Indicators

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1,148	1,111	96.77%	1,036	998	96.33%
Other than permanent	113	0	0%	28	0	0%
<b>Total Employees</b>	<b>1,261</b>	<b>1,111</b>	<b>88.1%</b>	<b>1,064</b>	<b>998</b>	<b>93.79%</b>
<b>Workers</b>						
Permanent	202	202	100%	212	212	100%
Other than permanent	2,545	2,545	100%	2,544	1,328	52.20%
<b>Total Workers</b>	<b>2,747</b>	<b>2,747</b>	<b>100%</b>	<b>2,756</b>	<b>1,540</b>	<b>55.88%</b>

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

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>1,148</b>	<b>0</b>	<b>0%</b>	<b>1,148</b>	<b>100%</b>	<b>1,036</b>	<b>0</b>	<b>0%</b>	<b>1,036</b>	<b>100%</b>
Male	867	0	0%	867	100%	819	0	0%	819	100%
Female	281	0	0%	281	100%	217	0	0%	217	100%
<b>Other than Permanent</b>	<b>113</b>	<b>0</b>	<b>0%</b>	<b>113</b>	<b>100%</b>	<b>28</b>	<b>0</b>	<b>0%</b>	<b>28</b>	<b>100%</b>
Male	99	0	0%	99	100%	23	0	0%	23	100%
Female	14	0	0%	14	100%	5	0	0%	5	100%
<b>Workers</b>										
<b>Permanent</b>	<b>202</b>	<b>0</b>	<b>0%</b>	<b>202</b>	<b>100%</b>	<b>212</b>	<b>Nil</b>	<b>NA</b>	<b>212</b>	<b>100%</b>
Male	202	0	0%	202	100%	212	Nil	NA	212	100%
Female	0	0	0%	0	0%	Nil	Nil	NA	Nil	NA
<b>Other than Permanent</b>	<b>2,545</b>	<b>0</b>	<b>0%</b>	<b>2,545</b>	<b>100%</b>	<b>2,544</b>	<b>Nil</b>	<b>NA</b>	<b>2,544</b>	<b>100%</b>
Male	2,397	0	0%	2,397	100%	2,429	Nil	NA	2,429	100%
Female	148	0	0%	148	100%	115	Nil	NA	115	100%

## 3. Details of remuneration/salary/wages

### a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)*	4	1,52,78,226	4	11,20,000
Key Managerial Personnel (KMP)**	4	1,78,84,224	0	0
Employees other than BoD and KMP	867	6,46,944	281	2,43,996
Workers	202	9,61,129	0	0

\* Note: Mr. Rajesh B. Rathi, Managing Director (DIN: 00018628) and Mr. Ashish Vij, Wholetime Director (DIN: 08140194) are paid remuneration (including special incentive, if any), and Mr. Pradeep R. Rathi, Non-Executive and Non-Independent Director (DIN: 00018577) is paid pension which is considered as remuneration as per the provisions of The Companies Act, 2013, and Rules made thereunder. All other Directors were paid remuneration in the form of Commission (proposed for FY 2024-25). Sitting Fees paid to Directors is not treated as remuneration as per the statutory provisions and hence not considered in the table above. Remuneration to Mr. Anuj N. Rathi (00018683) includes Commission proposed for FY 2024-25 who resigned as a Non-Executive and Non-Independent Director effective close of business hours on 14<sup>th</sup> February, 2025.

\*\* KMP include Mr. Rajesh B. Rathi, Managing Director (DIN: 00018628), Mr. Ashish Vij, Wholetime Director (DIN: 08140194), Mr. Nilkanth Natu, Chief Financial Officer and Mr. Mandar Velankar, General Counsel and Company Secretary

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	9%	7%

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

- Yes, Sudarshan has a Human Rights Policy, under which any proposed changes are subject to approval by the Head - Human Resources & Admin and the Head - Pigment Division, who serve as the designated approving authorities.

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

Sudarshan’s Human Rights Policy commits to conducting business in a manner that respects the dignity and rights of every individual, while ensuring a workplace free from discrimination, harassment, or mistreatment. The policy outlines a due diligence framework focused on identifying, evaluating, mitigating, and managing human rights risks and impacts. The policy also emphasizes on zero tolerance towards all forms of child, forced, trafficked, bonded labor and employment based on individual’s free will and mutual agreed terms of employment. It also includes mechanisms for monitoring, benchmarking, and reviewing objectives, drawing on employee feedback to drive continuous improvement through timely actions. The policy emphasizes on the provision of access to remedy by resolving grievances in a transparent, fair, and timely manner. Business leaders and line managers are accountable for ensuring complete implementation of the policy, addressing grievances through established channels, and actively participating in the grievance resolution process.

For more details, please refer to Page 91, ESG Report FY 2023-24

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights relate issues	0	0	NA	0	0	NA

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

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	0
Complaints on POSH as a % of female employees / workers	0.45%	0
Complaints on POSH upheld	2	0

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

At Sudarshan, the workplace is built on mutual trust, free from intimidation, harassment, exploitation, or oppression. Sudarshan actively works to prevent, address, and correct any behavior that goes against this commitment through the implementation of an Anti-Harassment Policy, along with employee education, mentoring, and guidance. During the period under review, two cases of sexual harassment were reported.

The following mechanisms have been established to uphold this commitment:

- **Prevention of Sexual Harassment (POSH):** Sudarshan’s POSH policy strictly prohibits retaliation against anyone involved in reporting or investigating sexual harassment complaints. Any such retaliation may result in disciplinary action, including termination or legal consequences. The Policy mandates mandatory training for all employees and establishes an Internal Complaints Committee (ICC) to address any reported incidents promptly and impartially.
- **Reporting Mechanism:** A designated committee of investigators reports directly to the Managing Director. If needed, they may consult departments not associated with the complaint to ensure impartiality.
- **Grievances against Internal Committee Members:** Any disciplinary or corrective action arising from an inquiry under this policy is deemed final. The management ensures full support for effective, timely, and thorough implementation of the policy.

- **Internal Complaints Committee (ICC):** Constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, the ICC is responsible for receiving and resolving complaints related to sexual harassment. Members are trained to carry out their responsibilities with sensitivity, clarity, and strict confidentiality.

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

Yes, Human Rights requirements form part of our business agreements and contracts, wherein our suppliers, contractors, and business partners are expected to align with this commitment and implement policies and procedures that ensure and maintain respect for human rights.

**10. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

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

- Not Applicable

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Sudarshan has a well-established and robust business process for addressing the human rights grievances or complaints that are identified and registered. All the external stakeholders (including shareholders) can address their grievances or complaints on the email ID: grievance.redressal@sudarshan.com

Additionally, there were no modifications in the business process during FY 2024-25.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Sudarshan is committed to conduct a company-wide due diligence process to identify and assess potential impacts and risks relating to respecting human rights. In the due diligence process, the following risk categories can be identified for further action:

- Risk in own operations
- Risk in value chain or other activities related to Sudarshan's business
- Risk in new business relations (mergers, acquisitions, joint ventures etc.)

The key issues covered in the due diligence process may include forced labour, human trafficking, child labour, freedom of association, right to collective bargaining, equal remuneration and discrimination.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, in alignment with the Rights of Persons with Disabilities Act, 2016, Sudarshan has integrated inclusive infrastructure including walkway ramps, wheelchair access, and specially designed washrooms within our premises to support individuals with disabilities.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	75%
Discrimination at workplace	75%
Child Labour	75%
Forced Labour/Involuntary Labour	75%
Wages	75%

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

- No significant risks were identified during the assessment in FY 2024-25

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

<b>Parameter</b>	<b>(GJ) FY 2024-25</b>	<b>(GJ) FY 2023-24</b>
<b>From renewable sources</b>		
Total electricity consumption (A)	1,29,206	1,37,147
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>1,29,206</b>	<b>1,37,147</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	1,25,283	65,006
Total fuel consumption (E)	28,00,001	23,65,319
Energy consumption through other sources (F)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>29,25,285</b>	<b>24,30,325</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>30,54,491</b>	<b>25,67,472</b>
<b>Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in ₹ Million)</b>	<b>120.54</b>	<b>118.90</b>
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP in USD Million)</b>	<b>2,462.69</b>	<b>2,432.67</b>
<b>Energy intensity in terms of physical output (GJ/ton of production)</b>	<b>75.78</b>	<b>72.0</b>
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures.

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

- No

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

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	49,88,200	43,87,129
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	49,88,200	43,87,129
<b>Total volume of water consumption (in kilolitres)</b>	6,26,263	7,02,390
<b>Water intensity per rupee of turnover (Total water consumption / Revenue from operations in ₹ Million)</b>	24.71	32.54
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP in USD Million)</b>	504.93	665.51
<b>Water intensity in terms of physical output</b>	15.53	19.69
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	NA	NA

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	37,92,837	36,84,739
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	<b>37,92,837</b>	<b>36,84,739</b>

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

- Not Applicable

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	MT	13.06	15.43
SOx	MT	104.72	176.02
Particulate matter (PM)	MT	63.31	62.40
Persistent organic pollutants (POP)	MT	Nil	Nil
Volatile organic compounds (VOC)	MT	Nil	Nil
Hazardous air pollutants (HAP)	MT	Nil	Nil

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

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

Parameter	Unit	FY 2024-25	FY 2023-24
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	2,64,736	2,23,675
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	24,883	15,828*
<b>Total Scope 1 and Scope 2 emissions intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million ₹)	tCO <sub>2</sub> e	11.42	11.18
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP in USD million)	tCO <sub>2</sub> e	233.51	226.93
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output (tCO<sub>2</sub>e/ton of production)</b>	tCO <sub>2</sub> e	7.18	6.71
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	tCO <sub>2</sub> e	NA	NA

Note: Emission factors used for the calculation of scope 2 emissions has been updated and considered up till three decimal place

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

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

Yes, Sudarshan is dedicated to achieving a 42.5% emissions reduction by 2030 in line with SBTi targets. To support this commitment, Sudarshan is implementing several greenhouse gas reduction measures, including energy conservation efforts and continuous monitoring to reduce flare emissions. Sudarshan has also introduced initiatives like CT fan temperature interlocking, modifications to brine pumps, jet mill air compressors, and motors across different sites. Additionally, Sudarshan is steadily increasing investments in renewable energy, with a strong emphasis on solar sources.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
<b>Total Waste Generated (in metric tonnes)</b>		
Plastic waste (A)	659.44	715.13
E-waste (B)	1.90	Nil
Bio-medical waste (C)	0.21	0.01
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	11.48	6.01
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	8,513.11	5,565.68
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	18,998.06	19,523.80
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>28,184.20</b>	<b>25,810.62</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations in ₹ Million)	1.11	1.20
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP in USD Million)	22.72	24.46
<b>Waste intensity in terms of physical output</b>	0.69	0.72
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	NA	NA
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	18,754.95	19,221
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>18,754.95</b>	<b>19,221</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	769.67	202.67
(ii) Landfilling	8,659.57	6,386.96
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	<b>9,429.24</b>	<b>6,589.63</b>

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

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

- Sudarshan has implemented a robust waste management strategy aimed at reducing waste generation and maximizing resource efficiency. It aligns its operations with waste reduction initiatives and measures its progress towards achieving zero waste to landfill and promoting responsible waste management practice. This approach is guided by key principles: promoting efficient storage and inventory to minimize waste, enhancing asset performance and yield, conducting periodic employee training and awareness on proper waste handling, and actively preventing spills and leaks leading to responsible waste management. Sudarshan also manages logistics and transportation efficiently to reduce waste and ensure strict compliance with all regulations for the safe disposal of materials. Its strategy is rooted in circular economy principles, with a strong focus on the 4Rs i.e. Reduce, Reuse, Recycle, and Responsible Disposal.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil			

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

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

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable as Sudarshan is compliant with all applicable environmental law/regulations/guidelines in India				

### Leadership Indicators

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

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

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

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kilolitres)</b>	Nil	Nil
<b>Total volume of water consumption (in kilolitres)</b>	Nil	Nil
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	Nil	Nil
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	Nil	Nil
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) Into Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil

Parameter	FY 2024-25	FY 2023-24
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	Nil	Nil

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

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

Parameter	Unit	FY 2024-25	FY 2023-24
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	3,52,978	2,60,216*
<b>Total Scope 3 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> equivalent/Revenue (INR million)	13.93	12.15
<b>Total Scope 3 emission intensity</b> (optional) - the relevant metric may be selected by the entity	-	-	-

\* Note: Emission factor has been updated. Thus, value for Scope 3 (FY 2023-24) has been updated hereupon

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

- Yes, TUV India Private Limited has carried out an independent assurance of the selected non-financial disclosures

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

- Not applicable

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1	Water recycling improvement	Installation of Filter to improve the quality of recycle water	Recycle water quality improved
2	Recycled water reuse	Use of filtered recycled water for scrubbing	Recycled water reused

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

- Yes, a Business Continuity Plan serves as a strategic framework to guide the organization during emergencies that disrupt normal operations. It outlines the roles of key personnel, critical resources, services, and actions required for effective response and recovery. The plan includes systems and processes aimed at reducing the impact of incidents, coordinating with authorities, managing the crisis, maintaining clear communication with stakeholders, addressing damages, restoring operations swiftly, and protecting the organization's reputation and value. Currently, the BCP review has been completed and planning and implementation of the plan is in process.

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

Sudarshan ensures that all its sites function with valid Environmental Clearances, granted through the proper Environmental Impact Assessment process. In addition, each site holds the necessary operational consents from the respective State Pollution Control Boards. The sites strictly adhere to all conditions outlined in these approvals, and those mandated by relevant Central and State authorities. Consequently, the environmental impact of operations remains within the expected and approved limits, reflecting Sudarshan's commitment to responsible and sustainable practices.

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

Sudarshan has implemented a Supplier Assessment Questionnaire (SAQ) checklist to evaluate its value chain partners in terms of partners' performance in important environmental areas. As of 31<sup>st</sup> March 2025, Sudarshan has successfully assessed 75% of its value chain partners for environmental impacts.

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

**a. By the listed entity:** Nil

**b. By the top ten (in terms of value of purchases and sales respectively) value chain partners:** Nil

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

**Essential Indicators**

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

- Sudarshan has affiliations with nine (9) trade and industry chambers/associations.

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

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Indian Chemical Council (ICC)	National
2.	National Safety Council (NSC)	National
3.	CHEMEXCIL- Basic Chemicals, Cosmetics & Dyes Export Promotion Council	National
4.	Mahratta Chamber of Commerce and Industry and Agriculture (MCCIA)	National
5.	ETAD- The Ecological and Toxicological Association of Dyes and Organic Pigments Manufacturer	National
6.	Mahad Manufacturing Industrial Association	National
7.	Common Hazardous Waste Storage Treatment and Disposal Facility (CHWTSDF) - Mumbai Waste Management Ltd. (MWML) - Maharashtra Enviro Private Ltd. (MEPL)	National
8.	Pigment Manufacturers' Association of India (PMAI)	National
9.	United Nations Global Compact (UNGC)	International

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

Name of the authority	Brief of the case	Corrective action taken
No issues have been reported in FY25	Not applicable	Not applicable

## Leadership Indicators

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

S. No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain (Y/N)?	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Nil					

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

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

Name and brief of the project	SIA Notification No.	Date of Notification	Whether conducted by independent in external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not applicable					

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

S. No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

### 3. Describe the mechanisms to receive and redress grievances of the community.

- The key mechanism adopted by Sudarshan to receive and redress grievances of the community include:

- 1) Community outreach center
- 2) Community forums and meetings
- 3) Help Desk
- 4) Company Register
- 5) Mediation and conflict resolution

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/small producers	11%	13%
Directly from within India	68%	87%

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

Location	FY 2024-25	FY 2023-24
Rural	Nil	Nil
Semi-urban	62.11%	56.26%
Urban	Nil	Nil
Metropolitan	37.89%	43.74%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

### Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not applicable	

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

S. No.	State	Aspirational District	Amount Spent (In ₹)
Not applicable			

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

(b) From which marginalized /vulnerable groups do you procure?: Not Applicable

(c) What percentage of total procurement (by value) does it constitute?: Not Applicable

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

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Sudarshan does not have any patents/IPR derived from traditional knowledge				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Women Empowerment and Livelihood	3,024	100%
2	Health	6,511	100%
3	Education	13,398	100%
4	Environment & Agriculture	40,324	100%
5	Community Development	57,647	100%

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The company has a formal Standard Operating Procedure (SOP) in place for addressing customer complaints, outlining a structured process for registration, investigation, evaluation, and implementation of corrective and preventive actions. The SOP clearly defines departmental responsibilities for resolving deviations, ensuring timely and effective resolution in alignment with quality and service standards.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Currently Company's labelling practices are in accordance with Global Harmonized System ("GHS") and Safety Data Sheet ("SDS"). It contains limited ecological information
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	Company did not conduct any advertising	Company did not conduct any advertising	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	NA	NA	NA	NA	NA	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair trade practices	0	0	NA	0	0	NA
Other	186	7	Product related queries	236	4	Product related queries

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

- Yes, Sudarshan has well-established and implemented IT and Cybersecurity Policy that aims to manage and protect all IT related resources used by employees, ensuring optimal optimization while complying with legal and security requirements. As part of our overarching policy framework, Sudarshan maintains a dedicated IT Management Policy that outlines the procedures for reporting data breaches within the organization. Sudarshan routinely conducts information security risk assessments, and any identified cyber risks are communicated to operations management, senior leadership, and the Board of Directors at least twice a year. Sudarshan maintains its data centers in a co-location facility which is Tier-4 compliant, reflecting the highest standards of reliability and performance, and employs robust, multi-layered physical and cybersecurity controls to protect sensitive information.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

- Sudarshan has framework for taking corrective action in critical areas such as cybersecurity and data privacy through its Manage, Detect & Respond (MDR) process. Regular information security risk assessments are conducted, and any identified cyber risks are escalated to operational teams, senior management, and the Board of Directors at least twice annually. Additionally, Sudarshan has achieved ISO 27001 certification, reinforcing our commitment to best-in-class information security practices.

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches: 0, No instance reported for Data breaches
- b. Percentage of data breaches involving personally identifiable information of customers: 0, No instance reported for Data breaches
- c. Impact, if any, of the data breaches: 0, No instance reported for Data breaches

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

- Information for the products and services of Sudarshan can be accessed on: Products and Services

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

- Sudarshan ensures customer wellbeing by providing highest quality, eco-friendly products through its state-of-the-art R&D centers. Sudarshan is committed to providing accurate, clear, and timely communication of relevant product information to our customers and stakeholders. Sudarshan complies with all applicable health and safety regulations, using Material Safety Data Sheets (MSDS) and other necessary documentation to share product details, highlight potential hazards, and outline risk mitigation measures.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

- Sudarshan uses multiple channels to keep customers informed about disruptions in critical services. This includes customized communication from departments such as Technical Marketing or marketing regarding leadership changes or product discontinuations, and updates on unexpected events like raw material shortages or supply chain issues. Furthermore, any planned or unexpected IT service interruptions are promptly communicated to all internal stakeholders.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

- The key information published on the product are:

- Sudarshan Trade name
- Color Index name
- Color Index number on the bags
- GHS (Global Harmonized System) Classification label on the bags
- In cases of Chromes export, Sudarshan sends materials in India Institute of Packaging (“IIP”) approved, United Nations (“UN”) packaging bags with UN numbers and affix Class 9 sticker on pallets as well as container.
- In case of Lead pearl, Sudarshan sends material in IIP approved packaging with UN details with Class 6 sticker

Yes, Sudarshan conducted customer satisfaction surveys related to products / services / significant locations of operations of the entity or the entity.

# CORPORATE GOVERNANCE

## REPORT FY 2024-25

### A. CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes and systems which governs a Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organisation to perform efficiently and ethically generate long-term wealth and create value for all its stakeholders.

The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders' value. The Company has adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

### B. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company's philosophy on Corporate Governance envisages attainment of transparency and accountability in all spheres including its dealings with Government and Regulatory Authorities, employees, shareholders, customers, vendors, lenders and others. Thus, Corporate Governance is a reflection of the Company's culture, policies, the Company's relationship with stakeholders and the Company's commitment to its values.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct of the Company and among others, the Code of Conduct to Regulate, Monitor and Trading by Insiders. The Company, through its Board and Committees, endeavors to maintain high standards of Corporate Governance for the benefit of its shareholders and stakeholders.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and

well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to creation of long-term shareholder value. The Company's initiatives towards adhering to high standards of Governance include self-governance, professionalization of the Board, fair and transparent processes and reporting systems.

The Corporate Governance Principles implemented by the Company seek to protect, recognize and facilitate shareholders' rights and ensure timely and accurate disclosure to them. Good Governance practices have rewarded the Company in the sphere of improved share valuations, stakeholders' confidence, improved market capitalisation, and awards from appropriate authorities, among others, for its employee centric policies and environmental protection measures, etc. These have helped the Company to increase shareholder value.

The Company's Board comprises of individuals with considerable experience and expertise across a range of disciplines including business management, business strategy, direct taxation, finance, legal and accounting. The Board members are fully aware of their roles and responsibilities in discharge of their key functions. The Board members strive to meet the expectations of operational transparency without compromising on the need to maintain confidentiality of information.

The Company's vision is to become the inspirational leader in the global colorant industry. Guided by its purpose - "To unleash joy, vibrancy and possibilities" and its mission - "Delivering breakthrough results for all our stakeholders through reliable and sustainable solutions". Our Company's business strategy is founded on customer centricity, fostering long-term relationships through a precise understanding of customer requirements.

This strategy is implemented through a solution-partnering approach, adherence to world-class quality standards, and consistent excellence in service delivery. Sustainability considerations are embedded in all business activities, ensuring that growth and innovation are pursued in a manner that protects the environment, benefits society, and upholds the interests of all stakeholders.

**Sudarshan Values:**

All employees are committed to living the Company's values:

**Respect** — We listen actively and embrace diverse voices.

**Entrepreneurship** — We spot opportunity, own it, do it.

**Agility** — We act quickly and decisively.

**Passion** — We put our heart in everything we do.

**Seva (Service)** — We create joy through service.

**Integrity of Financial Reporting:**

The Company ensures that adequate controls are in place to provide accurate and timely disclosure on all material matters including financial situation, performance and governance of the Company. The Audit process is supervised by the Audit Committee of the Board and is undertaken by an Independent firm of Chartered Accountants, reporting directly to the Audit Committee.

**Rights of Shareholders:**

The Company believes in protecting the rights of the shareholders and ensures adequate and timely disclosure of all information to the shareholders in compliance with applicable laws. Shareholders are furnished with sufficient and timely information concerning critical matters discussed and decided at the Board level and also information regarding matters to be transacted at General Meetings/Postal Ballot, opportunity to participate and vote at General Meetings, rules of voting process and among others mechanism to address grievances.

**C. BOARD OF DIRECTORS**

The Board of Directors of the Company has an optimum combination of Executive Directors, Non-Executive and Independent Directors who have in-depth knowledge of business, in addition to expertise in their areas of specialization.

As on 31<sup>st</sup> March 2025, the Company's Board consisted of 8 (eight) Members. The composition of the Board, as on 31<sup>st</sup> March 2025, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") as amended, with specified combination of Executive and Non-Executive Directors and at least one-half of the Board comprising of Independent Directors (including 4 (four) Independent Women Directors) for a Board chaired by a Non-Executive Promoter Director. The name and brief profile of Board of Directors of the Company is placed on the website of the Company at <https://www.sudarshan.com/board-of-directors/> In the opinion of the Board, all Independent Directors are independent of the management and satisfy the criteria of independence as defined under the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

A brief profile of Director(s) seeking appointment(s) /re-appointment(s) has been given in the Notice convening the 74<sup>th</sup> Annual General Meeting of the Company.

**Changes to the Board of Directors:**

- During the Financial Year 2024-25, Mr. D. N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. S. K. Asher (DIN: 00008221) and Mrs. R. F. Forbes (DIN: 00137326), ceased to be Non – Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company.

Mrs. S. P. Navandar (DIN: 02804964), Mrs. A. A. Wakhlu (DIN: 00122052) and Ms. B. Batra (DIN: 03502004) were appointed as Non-Executive and Independent Directors effective 2<sup>nd</sup> August, 2024. The said appointments were also approved by the Shareholders of the Company at the 73<sup>rd</sup> Annual General Meeting held on 2<sup>nd</sup> August, 2024.

- Mr. A. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025.
- Subsequent to the Financial Year 2024-25, Mr. P. R. Rathi resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025.
- The Board, at its meeting held on 29<sup>th</sup> May, 2025, appointed Mr. R. B. Rathi as a Chairman, in addition to his current role as a Managing Director, effective close of business hours on 29<sup>th</sup> May, 2025.

**Composition**

The Board of Directors comprises of following members as on 31<sup>st</sup> March, 2025 -

Sr. No.	Category of Directors	Name of Director
a.	Promoter and Promoter Group	1. Mr. P. R. Rathi – Non – Executive Chairman*
		2. Mr. R. B. Rathi – Chairman and Managing Director**
b.	Non-Promoters (Independent Directors)	1. Mrs. S. A. Panse
		2. Mr. N. T. Raisinghani
		3. Mrs. S. P. Navandar
		4. Mrs. A. A. Wakhlu
		5. Ms. B. Batra
c.	Non-Promoter (Non-Independent)	1. Mr. A. Vij – Wholetime Director

\*Subsequent to the Financial Year 2024-25, Mr. P. R. Rathi resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025.

\*\*Subsequent to Financial Year 2024-25, the Board, at its meeting held on 29<sup>th</sup> May, 2025, appointed Mr. R. B. Rathi as a Chairman, in addition to his current role as a Managing Director, effective close of business hours on 29<sup>th</sup> May, 2025.

**Notes:**

- None of the Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, its Promoters, its management during the Financial Year 2024-25, which in the judgment of the Board may affect independence of judgment of the Directors.
- The Directors mentioned at Serial No. (b) above fall within the expression of "Independent Directors" as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations, 2015.
- None of the Directors are related to each other in terms of Regulation 2(zd) of SEBI Listing Regulations, 2015.

**Board Skill Matrix:**

The Directors appointed on the Board are from diverse backgrounds and possess expertise in the fields that they represent which enables them to effectively contribute in deliberations at Board and Committee Meetings. As required by SEBI Listing Regulations, 2015 the matrix setting out the Skills / Expertise / Competencies that are identified and available within the Board of the Company for effective functioning, are given below:

Sr. No.	Name Of Director	Skills/ Expertise/ Competencies
1	Mr. P.R. Rathi*	Strategic Thinking, General Management, Sales and Marketing, Industry - Chemical - Pigment, Finance and Accounts
2	Mr. R. B. Rathi	Strategic Thinking, General Management, Sales and Marketing, Industry - Chemical - Pigment, HR and People Practices, Technical - Chemical, Risk Management, Industrial – Manufacturing
3	Mr. A. N. Rathi**	Strategic Thinking, General Management, Industry - Chemical - Pigment, Sales and Marketing
4	Mr. D. N. Damania***	Strategic Thinking, General Management, Risk Management, Industrial – Manufacturing
5	Mr. S. Padmanabhan***	Strategic Thinking, General Management, Risk Management
6	Mr. S. K. Asher***	Strategic Thinking, General Management, Sales and Marketing, HR and People Practices, Finance and Accounts, Legal, Corporate Governance, Risk Management, Taxation
7	Mrs. R. F. Forbes***	Strategic Thinking, General Management, HR and People Practices, Corporate Governance
8	Mrs. S. A. Panse	Strategic Thinking, General Management, HR and People Practices, Finance and Accounts, Risk Management
9	Mr. N. T. Raisinghani	Strategic Thinking, General Management, HR and People Practices, Risk Management
10	Mr. A. Vij	Strategic Thinking, General Management, Industry - Chemical - Pigment, Technical-Chemical, Industrial - Manufacturing, HR and People Practices, Risk Management (Operations)
11	Mrs. S. P. Navandar***	Leadership, Behavioural Skills, Strategy and Planning, Finance and Accounts, Audit, Risk Management, Governance
12	Mrs. A. A. Wakhlu***	Strategic Thinking, Planning, Finance and Accounts, HR and People Practices, Legal, Corporate Governance
13	Ms. B. Batra***	Legal, Corporate and International Laws, Regulatory Framework, Corporate Governance, Risk Management

\*Subsequent to the financial year ended on 31<sup>st</sup> March, 2025, Mr. P. R. Rathi (DIN: 00018577) resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025.

\*\*Mr. A. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025. Therefore, details shown above are as of 14<sup>th</sup> February, 2025.

\*\*\*Mr. D. N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. S. K. Asher (DIN: 00008221), and Mrs. R. F. Forbes (DIN: 00137326), ceased to be Non – Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company. Therefore, details shown above are as of 6<sup>th</sup> August, 2024. Mrs. S. P. Navandar (DIN: 02804964), Mrs. A. A. Wakhlu (DIN: 00122052) and Ms. B. Batra (DIN: 03502004) were appointed as a Non-Executive and Independent Directors effective 2<sup>nd</sup> August, 2024. The said appointments were also approved by the Shareholders of the Company at the Annual General Meeting held on 2<sup>nd</sup> August, 2024.

**Certificate from the Practicing Company Secretary:**

A certificate from Mr. Rajesh Karunakaran, a Company Secretary in practice (FCS No. 7441, C. P. No. 6581) has been obtained to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority. This Certificate is attached and marked as **Annexure I** to this Report.

**Independent Directors:**

The Independent Directors of the Company fully meet the requirements laid down under Regulation 16(1)(b) of SEBI Listing Regulations, 2015. The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of independence as laid down under this Regulation as well as Section 149(6) of the Companies Act, 2013 and rules made thereunder. The Company has received confirmation from all the existing Independent Directors of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

**Formal Letter of appointment to Independent Directors:**

In accordance with the applicable provisions of the SEBI Listing Regulations, 2015, the Company has issued formal letters of appointment to all the Independent Directors. The terms and conditions of their appointment have also been disclosed on the website of the Company at <https://www.sudarshan.com/company-policies/>

**Limit on the number of Directorships:**

In compliance with the SEBI Listing Regulations, 2015, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he / she is serving as a Managing Director / Wholetime Director in any Listed Company, does not hold such position in more than three Listed Companies.

**Maximum Tenure of Independent Directors:**

In accordance with Section 149 (11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a term of 5 (five) consecutive years from the date of appointment / reappointment as Independent Directors. The maximum tenure of the Independent Directors does not exceed 10 (ten) years.

**Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees, Chairperson and Independent Directors. The criteria of performance evaluation forms part of the Remuneration Policy of the Company and the same has been disclosed on the website at <https://www.sudarshan.com/remuneration-policy.pdf>. The manner in which such formal annual evaluation was made by the Board for the Financial Year 2024-25 is given below:

Based on the evaluation criteria, rating sheets were filled by each of the directors towards the end of the year with regard to evaluation of the performance of the Board, its Committees, Chairperson and Independent Directors (except for the director being evaluated) for the year under review.

The Nomination and Remuneration Committee evaluated performance of every Director including Independent Directors.

A consolidated summary of the ratings given by each of the directors was then prepared, based on which a report of performance evaluation was prepared by the Chairperson of the Nomination and Remuneration Committee in respect of the performance of the Board, its Committees, Chairperson and Independent Directors for the year under review.

The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and the Board at their meetings held on 25<sup>th</sup> July, 2025.

**Succession Plan:**

One of the key functions of the Board of Directors is selecting, compensating, monitoring and when necessary, replacing the members of the Board of Directors and the senior managerial personnel including the KMPs. Further, the Nomination and Remuneration Committee is instrumental in identifying successors for Board members and senior management thereby aligning the succession plans with the Company's strategic and long-term goals.

Pursuant to Regulation 17(4) of SEBI Listing Regulations, 2015, the Board of Directors has satisfied itself that plans are in place for orderly succession for outgoing Members of the Board of Directors and Senior Management Personnel.

**Familiarisation program for Independent Directors:**

The Board has adopted an ongoing Familiarisation Program ("the Program") for Independent Directors pursuant to SEBI Listing Regulations, 2015. The Program

aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company and to help them in the efficient discharge of their roles, rights and responsibilities in the Company. Details of such programs have been disclosed on the Company's website at <https://www.sudarshan.com/bpd-familiarisation-of-independent-directors.pdf>

#### **Board Diversity Policy:**

The Company recognises and embraces the importance of a diverse Board in its success. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, which will ensure that the Company retains its competitive advantage.

The Company believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- drive business results;
- make corporate governance more effective;
- enhance quality and responsible decision making capability;
- ensure sustainable development; and
- enhance reputation of the Company

Full text of the Board diversity policy is available on the Company's website at <https://www.sudarshan.com/board-diversity-remuneration-and-succession-policy.pdf>

#### **Review of Legal Compliance Reports:**

During the year under review, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared by the Management.

#### **Board Meetings and Agenda:**

In accordance with the legal position and the Articles of Association of the Company, the Board of Directors is the ultimate decision-making authority for the Company in all matters except those decisions reserved by law or the Articles of Association for shareholders. The Board has complete and unrestricted access to any information required by them to perform its supervisory duties and

make decisions on the matters reserved for the Board of Directors. The Board generally meets once a quarter to review among other things, quarterly performance of the Company and financial results. The Board / Committee Meeting(s) are pre-scheduled and a tentative annual calendar of the meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and ensure meaningful participation in the meetings. However, in case of a special and urgent business need, approval of the Board is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The compliance reports in respect of applicable laws are placed before the Board periodically. Agenda papers containing the necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Whenever it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the meeting and / or the presentations are made in respect thereof. The information as specified in Regulation 17(7) of the SEBI Listing Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") is regularly made available to the Board, whenever applicable, for discussion and consideration. Video / Teleconferencing facilities are also provided to enable participation from all Board / Committee members.

#### **Post Meeting follow up system:**

The Company has an effective post Board Meeting follow-up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board. The Board has established procedures to periodically review compliance report of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance, if any.

#### **Meetings and Attendance:**

During the Financial Year 2024-25, 9 (Nine) meetings of the Board of Directors were held on 17<sup>th</sup> May 2024, 2<sup>nd</sup> August, 2024, 14<sup>th</sup> August, 2024, 8<sup>th</sup> October, 2024, 16<sup>th</sup> October, 2024, 28<sup>th</sup> October, 2024, 13<sup>th</sup> December, 2024, 14<sup>th</sup> February, 2025 and 27<sup>th</sup> February, 2025.

The maximum gap between any two Board Meetings held during the financial year was not more than 120 days.

Details regarding attendance of the Directors at the Board Meetings held during the Financial Year 2024-25 and at the last Annual General Meeting held on 2<sup>nd</sup> August, 2024, are given below:-

Sr. No.	Name of Director	Designation	Status	No. of Board Meetings attended (out of total 9 Board Meetings held)	Attendance at the last AGM
1	Mr. P. R. Rathi	Non-Executive Chairman	Non-Executive	9	Yes
2	Mr. R. B. Rathi	Chairman and Managing Director	Executive	9	Yes
3	Mr. A. N. Rathi	Non-Independent Director	Non-Executive	7	Yes
4	Mr. D. N. Damania	Independent Director	Non-Executive	2	Yes
5	Mr. S. Padmanabhan	Independent Director	Non-Executive	2	Yes
6	Mr. S. K. Asher	Independent Director	Non-Executive	2	Yes
7	Mrs. R. F. Forbes	Independent Director	Non-Executive	1	Yes
8	Mrs. S. A. Panse	Independent Director	Non-Executive	7	Yes
9	Mr. N. T. Raisinghani	Independent Director	Non-Executive	9	Yes
10	Mrs. S. P. Navandar	Independent Director	Non-Executive	8	Yes
11	Mrs. A. A. Wakhlu	Independent Director	Non-Executive	7	Yes
12	Ms. B. Batra	Independent Director	Non-Executive	7	Yes
13	Mr. A. Vij	Wholtime Director	Executive	9	Yes

**Notes:**

- During the Financial Year 2024-25, Mr. D. N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. S. K. Asher (DIN: 00008221), and Mrs. R. F. Forbes (DIN: 00137326), ceased to be Non – Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company.
- Mrs. S. P. Navandar (DIN: 02804964), Mrs. A. A. Wakhlu (DIN: 00122052) and Ms. B. Batra (DIN: 03502004) were appointed as a Non-Executive and Independent Directors effective 2<sup>nd</sup> August, 2024. The said appointments were also approved by the Shareholders of the Company at the Annual General Meeting held on 2<sup>nd</sup> August, 2024.
- Mr. A. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025.
- Subsequent to the Financial Year ended on 31<sup>st</sup> March, 2025, Mr. P. R. Rathi (DIN: 00018577) resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025. Consequently, Mr. R. B. Rathi (DIN: 00018628) was appointed as a Chairman of the Board and Company, in addition to his current role as a Managing Director, effective close of business hours on 29<sup>th</sup> May, 2025.

**Details of Directorship(s) and Committee membership(s) in Companies as on 31<sup>st</sup> March, 2025:**

Name of Director	No. of shares held in the Company	Directorship in Listed Companies	Directorship in Unlisted Public Companies	Directorship in Private Companies*	Committee Membership in Listed and Unlisted Public Limited Companies**	Committee Chairpersonship in Listed and Unlisted Public Limited Companies**
Mr. P. R. Rathi	3,424,740	2	-	3	-	-
Mr. R. B. Rathi	4,050,359	2	1	3	3	-
Mr. A. N. Rathi <sup>(1)</sup>	5,447,620	1	-	2	1	-
Mr. D. N. Damania <sup>(2)</sup>	930	1	-	-	2	2
Mr. S. Padmanabhan <sup>(2)</sup>	-	-	1	1	1	-
Mr. S. K. Asher <sup>(2)</sup>	-	6	2	4	8	2
Mrs. R. F. Forbes <sup>(2)</sup>	-	-	-	1	-	-

Name of Director	No. of shares held in the Company	Directorship in Listed Companies	Directorship in Unlisted Public Companies	Directorship in Private Companies*	Committee Membership in Listed and Unlisted Public Limited Companies**	Committee Chairpersonship in Listed and Unlisted Public Limited Companies**
Mrs. S. A. Panse	-	2	-	-	2	-
Mr. N. T. Raisinghani	700	1	1	1	2	-
Mrs. S. P. Navandar	-	5	4	2	8	5
Mrs. A. A. Wakhlū	-	2	-	1	2	1
Ms. B. Batra	-	4	5	2	8	4
Mr. A. Vij	4,001	1	-	-	1	-

\*Excludes Directorships in Foreign Companies and Section 8 companies formed under the Companies Act, 2013.

\*\* Includes Chairpersonship / Membership of Audit Committee and Stakeholders' Relationship Committee which is mandatory under Regulation 26 of the SEBI Listing Regulations, 2015 for calculation of limit.

None of the Directors is a member in more than 10 mandatory committees or acting as Chairperson of more than 5 committees across all companies in which he / she is a director. The necessary disclosures regarding Committee positions have been made by the Directors.

None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 17A of SEBI Listing Regulations, 2015.

<sup>(1)</sup> Mr. A. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025. Therefore, details shown above are as of 14<sup>th</sup> February, 2025.

<sup>(2)</sup> During the Financial Year 2024-25, Mr. D. N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. S. K. Asher (DIN: 00008221), and Mrs. R. F. Forbes (DIN: 00137326), ceased to be Non – Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company. Therefore, details shown above are as of 6<sup>th</sup> August, 2024.

#### Details of Directorship in Listed Companies as on 31<sup>st</sup> March, 2025:

Name of Director	Name of the Listed entities where he/she holds Directorship	Category of Directorship
Mr. P. R. Rathi*	1. Sudarshan Chemical Industries Limited	Promoter Director (Non-Executive Chairman)
	2. Clean Science and Technology Limited	Non-Executive Chairman
Mr. R. B. Rathi*	1. Sudarshan Chemical Industries Limited	Promoter Director (Chairman and Managing Director)
	2. Finolex Industries Limited	Independent Director
Mr. A. N. Rathi**	1. Sudarshan Chemical Industries Limited	Non-Executive and Non-Independent Director
Mr. D. N. Damania***	1. KSB limited	Independent Director
Mr. S. Padmanabhan***	-	-
Mr. S. K. Asher***	1. Sonata Software Limited	Independent Director
	2. Sun Pharmaceuticals Industries Limited	
	3. Deepak Nitrite Limited	
	4. Epigral Limited (earlier known as Meghmani Finechem Limited)	
	5. Hawkins Cookers Limited	
Mrs. R. F. Forbes***	-	-
Mr. A. Vij	1. Sudarshan Chemical Industries Limited	Wholetime Director
Mrs. S. A. Panse	1. Sudarshan Chemical Industries Limited	Independent Director
	2. Can Fin Homes Limited	
Mr. N. T. Raisinghani	1. Sudarshan Chemical Industries Limited	Independent Director

Name of Director	Name of the Listed entities where he/she holds Directorship	Category of Directorship
Mrs. S. P. Navandar	1. Sudarshan Chemical Industries Limited 2. Yasho Industries Limited 3. Tribhovandas Bhimji Zaveri Limited 4. Anand Rathi Wealth Limited 5. Kolte-Patil Developers Limited	Independent Director
Ms. B. Batra	1. Sudarshan Chemical Industries Limited 2. Repro India Limited 3. Hinduja Global Solutions Limited 4. Jyothy Labs Limited	Independent Director
Mrs. A. A. Wakhlu	1. Sudarshan Chemical Industries Limited 2. SKF India Limited	Independent Director

\*Subsequent to the Financial Year 2024-25, Mr. P. R. Rathi (DIN: 00018577) resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025. Consequently, the Board, at its meeting held on 29<sup>th</sup> May, 2025, appointed Mr. R. B. Rathi, as a Chairman effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role of Managing Director.

\*\*Mr. A. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025. Therefore, details shown above are as of 14<sup>th</sup> February, 2025.

\*\*\*During the Financial Year 2024-25, Mr. D. N. Damania (DIN: 00403834), Mr. S. Padmanabhan (DIN: 00001207), Mr. S. K. Asher (DIN: 00008221), and Mrs. R. F. Forbes (DIN: 00137326), ceased to be Non – Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company. Therefore, details shown above are as of 6<sup>th</sup> August, 2024.

#### Board Committees:

##### i) Audit Committee:

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost Auditors, the performance of internal auditors and the Company's risk management policies.

As on 31<sup>st</sup> March, 2025, the Audit Committee of the Board consisted of the following Directors:

Name of Director	Status	No. of Meetings attended during FY 2024-25
Mrs. S. P. Navandar	Chairperson (Non - Executive and Independent Director)	2
Mr. N. T. Raisinghani	Member (Non - Executive and Independent Director)	2
Ms. B. Batra	Member (Non - Executive and Independent Director)	2

Notes:

During the Financial Year 2024-25, the following changes took place in the composition of the Audit Committee:

- Mrs. S. A. Panse ceased as a Chairperson of the Audit Committee effective close of business hours on 2<sup>nd</sup> August, 2024.
- Mr. D. N. Damania, Mr. S. K. Asher and Mr. S. Padmanabhan ceased as Members of the Audit Committee effective close of business hours on 2<sup>nd</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024.
- Mrs. S. P. Navandar was appointed as a Chairperson and Mr. N. T. Raisinghani and Ms. B. Batra were appointed as Members of the Audit Committee effective close of business hours on 2<sup>nd</sup> August, 2024.

### Meetings during the year:

During the Financial Year 2024-25, 4 (Four) meetings of the Audit Committee were held on 17<sup>th</sup> May, 2024, 2<sup>nd</sup> August, 2024, 28<sup>th</sup> October, 2024 and 14<sup>th</sup> February, 2025. The maximum gap between any two meetings of the Committee held during the financial year was not more than 120 days. Mr. P. R. Rathi, the erstwhile Chairman of the Company, Mr. R. B. Rathi, Chairman and Managing Director, and Mr. Nilkanth Natu, CFO were the permanent invitees to the meetings of the Committee. Apart from them, these meetings were also attended by Internal Auditors and Statutory Auditors on invitation.

The Company Secretary acts as the Secretary to the Audit Committee.

Minutes of the meeting of the Committee are placed before and noted by the Board.

Mrs. S. A. Panse, erstwhile Chairperson of the Committee was present at the 73<sup>rd</sup> Annual General Meeting of the Company held on 2<sup>nd</sup> August, 2024 to answer queries of shareholders.

Pursuant to the terms of reference, the Audit Committee, inter- alia, discussed and deliberated on financial results, approval of transactions with related parties, reports of the Internal Auditors and Statutory Auditors, remuneration of Internal and Statutory Auditors, etc.

The full text of the terms of reference of the Audit Committee is in line with the regulatory requirements and is available on the website of the Company <https://www.sudarshan.com/terms-of-reference-of-committees.pdf>

### ii) Nomination and Remuneration Committee:

As on 31<sup>st</sup> March, 2025, the Nomination and Remuneration Committee ("NRC") of the Board consisted of the following Directors:

Name of Director	Status	No. of Meetings attended during FY 2024-25
Mrs. A. A. Wakhlu	Chairperson (Non - Executive and Independent Director)	N.A.
Mr. N. T. Raisinghani	Member (Non - Executive and Independent Director)	2
Ms. B. Batra	Member (Non - Executive and Independent Director)	N.A.

Notes:

During the Financial Year 2024-25, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 17<sup>th</sup> April, 2024 and 17<sup>th</sup> May, 2024.

During the Financial Year 2024-25, the following changes took place in the composition of Nomination and Remuneration Committee:

Mr. D. N. Damania ceased as a Chairman and Mr. S. K. Asher and Mrs. R. F. Forbes ceased as a Members of the Nomination and Remuneration Committee effective close of business hours on 2<sup>nd</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024.

Mrs. A. A. Wakhlu was appointed as a Chairperson and Ms. B. Batra was appointed as Member of the Nomination and Remuneration Committee effective close of business hours on 2<sup>nd</sup> August, 2024. After their appointment, no committee meeting was held during the Financial year 2024-25.

### Statement on terms of reference:

The terms of the reference of the committee include the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors to be carried out by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To recommend the manner for evaluation of performance of Board, its Committees, Chairperson and Individual Director.
- To review and approve remuneration and change in remuneration payable to Wholetime Director(s).

The full text of the terms of reference of the Nomination and Remuneration Committee is available at the Company's website on <https://www.sudarshan.com/terms-of-reference-of-committees.pdf>

During the year under review, the members of the Committee, inter-alia, deliberated on various matters viz. performance evaluation of the Board, Committees, Chairperson and Directors including Independent

Directors, evaluation of performance of the Managing Director and Wholetime Director.

Minutes of the meeting of the Committee are placed before and noted by the Board.

Mr. D. N. Damania, the erstwhile Chairman of the Committee was present at the 73<sup>rd</sup> Annual General Meeting of the Company held on 2<sup>nd</sup> August, 2024 to answer queries of shareholders.

### iii) Stakeholders' Relationship Committee:

As on 31<sup>st</sup> March, 2025, the Stakeholders' Relationship Committee consisted of the following Directors:

Name of Director	Status
Ms. B. Batra	Chairperson (Non - Executive and Independent Director)
Mr. R. B Rathi	Member (Chairman and Managing Director)
Mr. A. Vij	Member (Wholetime Director)

Notes:

During the Financial Year 2024-25, the following changes took place in the composition of Stakeholders' Relationship Committee:

- Mr. S. K. Asher ceased as a Chairman of Stakeholder's Relationship Committee ("SRC") effective close of business hours on 2<sup>nd</sup> August, 2024 on account of completion of his tenure as an Independent Director of the Company effective close of business hours on 6<sup>th</sup> August, 2024.
- Mr. P. R. Rathi ceased as a Member of SRC effective close of business hours on 2<sup>nd</sup> August, 2024.
- Ms. B. Batra was appointed as a Chairperson of SRC effective close of business hours on 2<sup>nd</sup> August, 2024.
- Mr. A. N. Rathi was appointed as a Member of SRC effective close of business hours on 2<sup>nd</sup> August, 2024. However, he ceased as a Member of SRC effective 14<sup>th</sup> February, 2025 on account of his resignation as Non-Executive Director of the company.
- Mr. A. Vij was appointed as a Member of SRC effective 14<sup>th</sup> February, 2025.

#### Statement on terms of reference:

The terms of reference of the committee include the following:

- To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt

of declared dividends, issue of new/duplicate certificates, general meetings etc.;

- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The full text of the Charter of the Stakeholders' Relationship Committee is available at the Company's website on <https://www.sudarshan.com/terms-of-reference-of-committees.pdf>

During the year under review, the meeting of the Stakeholders' Relationship Committee was held on 27<sup>th</sup> March, 2025 and at the said meeting, all members of the Committee were present.

Based on the reports received from the Company's Registrars, the Company had received four complaints from Investors during the year, and out of these, three complaints were resolved during the year and one complaint was resolved after closure of the year. Therefore, as on the date of this report, no complaint pertaining to Financial Year 2024-25 remains unresolved.

Minutes of the meeting of the Committee are placed before and noted by the Board.

Mr. S. K. Asher, the erstwhile Chairman of the Committee, was present at the Annual General Meeting of the Company held on 2<sup>nd</sup> August, 2024.

#### Name, Designation and address of Compliance Officer:

Mr. Mandar Velankar, Company Secretary and Compliance Officer  
 Sudarshan Chemical Industries Limited  
 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India  
 E-mail: mmvelankar@sudarshan.com  
 Telephone No. : 020 – 68281200

### iv) Risk Management Committee:

Risk is an integral and inseparable component of the business operations of a Company. Risks which a Company may face include market risks, financial reporting

risks, finance risk, fluctuations in foreign exchange, technological risks, human resource management and legal or compliance risks. The Company believes that identifying significant risks which the Company may face and devising risk assessment and mitigation procedures to tackle such risks would play an important role in protecting shareholder value, improving governance processes and meeting unforeseen exigencies in the cycle of conduct of business operations of the Company.

#### Composition:

As on 31<sup>st</sup> March, 2025, Members of the Risk Management Committee were as follows:

Name of Director	Status	No. of Meetings attended during FY 2024-25
Ms. B. Batra	Chairperson (Non - Executive and Independent Director)	2
Mr. N. T. Raisinghani	Member (Non - Executive and Independent Director)	2
Mrs. S. A. Panse	Member (Non - Executive and Independent Director)	1
Mr. R. B. Rathi	Member (Chairman and Managing Director)	2
Mr. A. Vij	Member (Wholetime Director)	2
Mr. Nilkanth Natu	Member (Chief Financial Officer)	2

Notes:

The following changes took place in the composition of Risk Management Committee:

Mr. D. N. Damania ceased to be Chairperson and Mr. S. Padmanabhan ceased to be a Member of Risk Management Committee (RMC) effective close of business hours on 2<sup>nd</sup> August, 2024 on account completion of their tenure as an Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024.

Mr. P. R. Rathi ceased to be a Member of RMC effective close of business hours on 2<sup>nd</sup> August, 2024.

Ms. B. Batra was appointed as a Chairperson of RMC effective close of business hours on 2<sup>nd</sup> August, 2024.

During the Financial Year 2024-25, 2 (Two) meetings of RMC were held on 5<sup>th</sup> September, 2024 and 14<sup>th</sup> February, 2025.

Minutes of the meeting of the Committee are placed before and noted by the Board.

The full text of the Charter of the Risk Management Committee is available at the Company's website on <https://www.sudarshan.com/terms-of-reference-of-committees.pdf>

#### v) Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013, and rules made thereunder.

The Committee reports regularly to the Board such matters, as are relevant to the Company.

The CSR Committee consists of the following Directors:

Name of Director	Status	Attendance at the meeting held on 13 <sup>th</sup> May, 2024
Mrs. A. A. Wakhlu	Chairperson (Non - Executive and Independent Director)	N.A.
Mr. A. Vij	Member (Wholetime Director)	N.A.
Mr. P. R. Rathi	Member (Non - Executive and Non - Independent Director)	Yes
Mr. R. B. Rathi	Member (Chairman and Managing Director)	Yes

Notes:

Following changes took place in the composition of Corporate Social Responsibility Committee:

Mrs. R. F. Forbes ceased to be Chairperson of the CSR committee effective close of business hours on 2<sup>nd</sup> August, 2024 on account of her completion of tenure as an Independent Director of the Company effective close of business hours on 6<sup>th</sup> August, 2024.

Mrs. A. A. Wakhlu was appointed as a Chairperson of the CSR committee effective close of business hours on 2<sup>nd</sup> August, 2024.

Mr. P. R. Rathi ceased to be a member of the CSR committee effective close of business hours on 29<sup>th</sup> May, 2025 on account of his resignation as a Non-Executive Chairman of the Company.

Mr. A. Vij was appointed as a member of the committee effective close of business hours on 29<sup>th</sup> May, 2025.

Minutes of the meeting of the Committee are placed before and noted by the Board.

**vi) Other committees (non-mandatory) constituted by the Company:**

- 1. Finance Committee:** The scope of the Committee is inter-alia to approve the terms of financing proposals within the powers conferred by the Board of Directors from time to time. Members of the Board of Directors act as Members of the Committee. Meetings of the Committee are held on a need basis.
- 2. Shares Committee:** The terms of the committee are to consider, inter alia proposals for transmission, transposition, demat, remat etc. as applicable based on the report of the Company's Registrar and Transfer Agent, M/s. MUFG Intime India Private Limited (earlier known as Link Intime India Private Limited), Members of the Board of Directors act as Members of the Committee.

Meetings of the Committee are held at convenient intervals to ensure transmission, transposition, issue of duplicate share certificates / Letter of Confirmation / Letter of Entitlement and dispatch of share certificates / Letter of Confirmation / Letter of Entitlement, as applicable within the stipulated time limit prescribed by the stock exchanges.

- 3. Fund Raising Committee:** The Board at its meeting held on 16<sup>th</sup> October, 2024, constituted the Fund Raising Committee, inter-alia, to deal with the matters relating to raising of funds for the acquisition of Global Pigment Business Operations of Heubach Group which was completed on 3<sup>rd</sup> March, 2025.
- 4. Allotment Committee:** Subsequent to the Financial Year 2024-25, the Board, at its meeting held on 29<sup>th</sup> May, 2025 has constituted the Allotment Committee. The scope of the Committee is inter-alia to approve the allotment of equity shares of the Company upon exercise of ESOPs by the eligible employees of the Company from time to time under Sudarshan Employee Stock Option Plan, 2018 and other matters incidental thereto.

All the recommendations made by Committees during the year were accepted by the Board.

**vii) Independent Directors' Meeting:**

A separate meeting of the Independent Directors of the Company was held on 27<sup>th</sup> March, 2025 without attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed (i) the performance of Non-Independent Directors and the Board as a whole; (ii) the performance of the Chairperson of the Board taking into account the views of the Executive Directors and Non-Executive Directors; and (iii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board

required to effectively and reasonably perform their duties. All Independent Directors attended the Meeting.

**Remuneration Policy:**

The Company has put in place a Remuneration Policy. While deciding remuneration, terms of the Executive Directors and Senior Management, the Company takes into consideration the following items:

- (a) employment scenario;
- (b) remuneration package of the industry; and
- (c) remuneration package of the managerial talent of other industries.

The annual variable pay of Executive Directors and Senior Management is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives. For more details, please refer to the Remuneration Policy of the Board, KMPs appearing in the Directors' Report.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and Performance Linked Variable Allowance (PLVA) / Commission (variable component) to Executive Directors. Salary is paid within the range approved by the Shareholders. Annual increments effective 1<sup>st</sup> April each year, as recommended by the Nomination and Remuneration Committee, are approved by the Board. Commission is calculated with reference to net profits of the Company in a particular Financial Year and is determined by the Board of Directors at the end of the Financial Year based on the recommendations of the Nomination and Remuneration Committee, subject to overall ceilings stipulated in Section 197 of the Companies Act, 2013. Specific amounts payable to such directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

The Non-Executive Directors are paid remuneration by way of Sitting Fees. Further, Commission is proposed to be paid to the Non-Executive Directors (computed in accordance with Section 198 of the Companies Act, 2013 and Rules made thereunder) for the FY 2024-25.

The distribution of Commission amongst the Non-Executive Directors is placed before the Board. The Commission is recommended by the Nomination and Remuneration Committee based on the contribution at the Board and Committee Meetings as well as time spent on operational matters other than at the meetings.

As approved by the Board at its meeting held on 17<sup>th</sup> May, 2024, the Company pays sitting fees to the Non-Executive Directors in the following manner:

- (i) ₹50,000/- per meeting for attending the Board Meeting;
- (ii) ₹30,000/- per meeting for attending the meetings of the Audit Committee, Nomination and Remuneration Committee and Risk Management Committee; and
- (iii) ₹20,000/- per meeting for attending meetings of other Committees.

#### Directors and Officers Liability Insurance ("D & O") Policy:

The Company has in place the D & O Policy as per the applicable legal provisions, providing coverage to the Directors. Every year the Company ensures renewal and validity of the policy. The Board is of the opinion that the quantum and risks presently covered are adequate.

#### Remuneration to Executive and Non-Executive Directors for the Financial Year ended 31<sup>st</sup> March 2025:

Details of remuneration paid / payable to the Executive and Non-Executive Directors are provided below. The Non-Executive Directors did not have any material pecuniary transactions with the Company.

Name of Director	Designation	Details of remuneration paid / payable (in ₹)				
		Sitting Fees*	Commission**	Salary	Others	Total
Mr. P. R. Rathi	Non- Executive and Non-Independent Director and Chairman (till close of business hours on 29 <sup>th</sup> May, 2025)	470,000	1,560,000	-	5,454,891	7,484,891
Mr. R. B. Rathi <sup>(1)</sup>	Chairman and Managing Director	-	-	66,759,271	102,500,000	169,259,271
Mr. A. Vij	Wholetime Director	-	-	23,541,561	-	23,541,561
Mr. D. N. Damania <sup>(2)</sup>	Independent Director	210,000	-	-	-	210,000
Mr. S. Padmanabhan <sup>(2)</sup>	Independent Director	160,000	-	-	-	160,000
Mrs. S. A. Panse	Independent Director	440,000	1,730,000	-	-	2,170,000
Mrs. R. F. Forbes <sup>(2)</sup>	Independent Director	90,000	-	-	-	90,000
Mr. N. T. Raisinghani	Independent Director	620,000	1,560,000	-	-	2,180,000
Mr. S. K. Asher <sup>(2)</sup>	Independent Director	210,000	-	-	-	210,000
Mr. A. N. Rathi <sup>(3)</sup>	Non- Executive and Non-Independent Director	350,000	1,320,000	-	-	1,670,000
Mrs. S. P. Navandar	Independent Director	460,000	1,220,000	-	-	1,680,000
Mrs. A. A. Wakhlu	Independent Director	350,000	1,020,000	-	-	1,370,000
Ms. B. Batra	Independent Director	490,000	890,000	-	-	1,380,000

\*The sitting fees as mentioned above relates to the Board Meeting(s) and Committee Meeting(s) held during the FY 2024-25.

\*\*The Commission is proposed to be paid to the Non-Executive Directors (computed in accordance with Section 198 of the Companies Act, 2013 and Rules made thereunder) for the FY 2024-25.

- (1) Remuneration paid to Mr. R. B. Rathi, Chairman and Managing Director (DIN: 00018628) is as per the approval granted by Shareholders. In recognition of Mr. R. B. Rathi's exemplary display of leadership skills and strategic direction in completing the acquisition of Global Pigment Business Operations of Heubach Group and taking the Company on the path to become the global leader in the pigment business and as recommended by the Nomination and Remuneration Committee, the Board, at its meeting held on 25<sup>th</sup> July, 2025, approved payment of special incentive of ₹10,25,00,000/- to Mr. R. B. Rathi. The same is as per the approval granted by Shareholders at the 73<sup>rd</sup> Annual General Meeting held on 2<sup>nd</sup> August, 2024.
- (2) Mr. D. N. Damania, Mr. S. Padmanabhan, Mr. S. K. Asher and Mrs. R. F. Forbes ceased as Non – Executive and Independent Director effective close of business hours on 6<sup>th</sup> August, 2024, on account of completion of their second term as an Independent Directors of the Company. Therefore, details shown above are as of 6<sup>th</sup> August, 2024.
- (3) Mr. A. N. Rathi resigned as Non – Executive and Non-Independent Director (DIN: 00018683) effective 14<sup>th</sup> February, 2025. Therefore, details shown above are as of 14<sup>th</sup> February, 2025.

**Criteria for making payments to Non-Executive Directors:**

Non-Executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgement. They also oversee the corporate governance framework of the Company.

The Remuneration Policy inter-alia disclosing the criteria of making payments to directors, key managerial personnel and employees is placed on the Company's website <https://www.sudarshan.com/remuneration-policy.pdf>

**Disclosure of material transactions:**

Under Regulation 26(5) of SEBI Listing Regulations, 2015, the Senior Management is required to make periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

During the year under review, there were no such transactions.

**Management Discussion and Analysis Report:**

The report is given by way of a separate chapter in this Annual Report.

**Rights of Stakeholders:**

The Company recognises the rights of its stakeholders and respect their rights which are established by law or through mutual agreements. Stakeholders are provided access to relevant, sufficient and reliable information on a regular basis enabling them to participate in the governance process.

**Whistle-Blower Policy/ Vigil Mechanism:**

The Company promotes ethical behavior in all its business activities and in line with the best practices. The Company has put in place a system through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of the Company's Code of Conduct without fear of reprisal. All Directors, employees and business associates have direct access to the Chairperson of the Audit Committee. The Whistle-Blower Policy aims to:

- Allow and encourage stakeholders to bring to the Management's notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies;
- Ensure timely and consistent organisational response;
- Build and strengthen a culture of transparency and trust; and
- Provide protection against victimisation.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed

on the Company's website at <https://www.sudarshan.com/whistle-blower-vigil-mechanism-policy.pdf> In terms of the Whistle Blower Policy / Vigil Mechanism Policy, it is affirmed that no personnel have been denied access to the Audit Committee. A quarterly report on the whistle-blower complaints is placed before the Audit Committee for its review. During the year under review, no complaint was received under the Whistle-Blower mechanism.

**Framework of Insider Trading:**

The Company's shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). With a view to regulate insider trading, the Company has put in place a "Code of Conduct to Regulate, Monitor and Report Trading of Company shares by Insiders".

("PIT Code"). The said PIT Code was last amended by the Board of Directors at its meeting held on 25<sup>th</sup> July, 2025. The Company Directors, Key Managerial Personnel and Designated Employees and other Insiders are informed about closure of the Trading Window prior to dissemination of price sensitive information. The said PIT Code is available on the Company's website at <https://www.sudarshan.com/prohibition-of-insider-trading-policy.pdf>

**Compliance Monitoring System:**

Your Company has put in place a compliance management framework that outlines the Company's philosophy towards compliance culture, understanding compliance changes, coverage, approach, responsibilities, risk matrix and trainings.

The Company believes that a good framework is essential to track statutory compliance for the successful conduct of business operations and high standards of corporate governance. The compliance update is presented to the Board Members on a quarterly basis.

The Company maintains lists of applicable laws and compliance checklist(s) for regulations across multiple jurisdictions applicable to the Company and its subsidiaries, that are monitored and tracked through compliance tool. Training is provided to various stakeholders on introduction of new provisions and amendment to existing provisions of the Regulations. In the compliance tool the compliance tasks are mapped to process owners who submit the tasks with supporting evidence. Identified key stakeholders across functions ensure and confirm compliance with the provisions of all applicable laws.

**Other Policies mandated under SEBI Listing Regulations, 2015:**

**a. Archival Policy:**

Pursuant to Regulation 30(8) of SEBI Listing Regulations, 2015, every Listed Company shall disclose on its website all such events or information, which have been disclosed to the stock exchange(s) under Regulation 30. Such disclosures shall be posted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

Accordingly, the Board of Directors has approved the 'Archival Policy'. The Policy can be accessed from the Company's website at <https://www.sudarshan.com/archival-policy.pdf>

**b. Policy for Preservation of Documents:**

Pursuant to Regulation 9 of SEBI Listing Regulations 2015, the Board of Directors has adopted Policy on Preservation of Documents. This Policy envisages the procedure governing preservation of documents as required to be maintained under various statutes viz., Companies Act, 2013 and Rules issued thereunder from time to time, applicable Secretarial Standards, SEBI Listing Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and any other applicable Regulations.

The said Policy was last amended by the Board at its meeting held on 25<sup>th</sup> July, 2025. The Policy can be accessed from the Company's website at <https://www.sudarshan.com/preservation-of-documents-policy.pdf>

**c. Policy for Determination of Material Events or Information:**

Pursuant to Regulation 30 of the SEBI Listing Regulations 2015, the Board of Directors has adopted the Policy for Determination of Material Events or Information. The objective of the Policy is to ensure timely and adequate disclosure of material events or information.

The said Policy was last amended by the Board at its meeting held on 25<sup>th</sup> July, 2025. The Policy can be accessed from the Company's website at <https://www.sudarshan.com/determination-of-material-events-or-information-policy.pdf>

**d. Dividend Distribution Policy:**

The Company falls in the 'Top 1000' list of companies for market capitalisation as on 31<sup>st</sup> March, 2025 by the Stock Exchanges where the equity shares of the Company are listed. Accordingly, as per the applicable legal provisions, the Dividend Distribution Policy of the Company is annexed to the Directors Report and is also available on the website of the Company at <https://www.sudarshan.com/dividend-distribution-policy.pdf>

SEBI has laid down broad parameters which should find a place in the Dividend policy as follows:

1. The circumstances under which their shareholders can or cannot expect Dividend;
2. The financial parameters that will be considered while declaring Dividends;
3. Internal and external factors that would be considered for declaration of Dividend;

4. Policy as to how the retained earnings will be utilised;
5. Provisions in regard to various classes of shares.

As per the Dividend Distribution Policy approved by the Board, 25% to 40% of distributable surplus of a particular year could be distributed as Dividend to shareholders.

**e. Investor Communication Policy:**

As a Listed Entity, the Company is duty bound to comply with certain obligations imposed by SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "SEBI Regulations"), regarding the disclosure of confidential and sensitive information to the public. Pre-mature or otherwise unauthorised disclosure of internal information relating to the Company could adversely affect the Company's ability to meet its disclosure obligations under the SEBI Regulations. In addition, unauthorised disclosure could cause competitive harm to the Company and in some cases may result in liability for the Company.

The SEBI Regulations require the Company to formulate a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to the SEBI Regulations.

Schedule A of SEBI Regulations requires that, whenever the Company (or a person acting on its behalf) intentionally discloses material non-public information to certain specified persons (including broker-dealers, analysts and security holders), the Company must simultaneously disseminate the information to the public in a manner consistent with Schedule A.

Examples of activities affected by this Policy include:

1. Earnings releases and related conference calls;
2. Speeches, interviews and conferences;
3. Responding to market rumours;
4. Reviewing analyst reports;
5. Referring to or distributing analyst reports on the Company;
6. Analyst and investor visits;
7. Postings on the Company's websites;
8. Social media communications, including through corporate blogs, employee blogs, chat boards, Twitter, Facebook, Linked In, You Tube and any other non-traditional means of communication.

Further, any information, whether material or immaterial, provided to outsiders by the Company's employees and Directors (including any person acting on its behalf) must be accurate and consistent with these responsibilities.

The Managing Director shall have the authority to make materiality and distribution determinations covered by this Policy with respect to the information disclosed about the Company.

The Board of Directors of the Company has approved the Investor Communication Policy in its meeting held on 10<sup>th</sup> February, 2017. For more details, shareholders are requested to visit the website of the Company at <https://www.sudarshan.com/investor-communication-policy.pdf>

### Utilisation of funds raised through Preferential Allotment and Qualified Institutions Placement:

#### Fund raising through Preferential Allotment

##### A. Preferential Allotment of Warrants to the Member of Promoter and Promoter Group

The Fund Raising Committee of the Board of Directors of the Company at its meeting held on 31<sup>st</sup> October, 2024, approved raising of funds not exceeding ₹ 10,000 lakhs by way of issuance of upto 9,80,000 warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company of face value of ₹ 2/- each ("Warrants") at a price of ₹ 1,019.75 each payable in cash ("Warrants Issue Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of eighteen months, to Mr. R. B. Rathi, being a part of the promoter and promoter group of the Company, by way of a preferential issue through private placement offer. The same was subsequently approved by the Shareholders of the Company by way of resolution passed by Postal Ballot on 30<sup>th</sup> November, 2024. The Fund Raising Committee of the Board of Directors at its meeting held on 13<sup>th</sup> December, 2024, approved the allotment of 9,80,000 warrants to Mr. R. B. Rathi, as per the details set forth below:

Name of Allottee	Category	Number of warrants allotted	Price at which the warrants are issued (in ₹) (per warrant)	Paid-up value per warrant on allotment (in ₹)* (at least 25% of the price at which the warrants are issued)	Consideration received as on the date of allotment (in ₹ lakhs)
Mr. R. B. Rathi	Member of the Promoter and Promoter Group and Managing Director	9,80,000	1,019.75 (Including premium of ₹ 1,017.75 per Warrant)	254.94	2,498.4

\* The warrant holder would be required to make further payments of ₹ 764.81 for each Warrant, which is equivalent to 75% of the Warrants Issue Price at the time of exercise of the right attached to Warrants to subscribe to equity share(s). As on 31<sup>st</sup> March 2025, the said warrants had not been converted into equity shares.

##### B. Preferential Allotment of Equity Shares to person(s) not belonging to Promoter and Promoter Group

Based on the approvals of the Board at its meeting held on 13<sup>th</sup> December, 2024, and Shareholders of the Company at an Extraordinary General Meeting held on 4<sup>th</sup> January, 2025, the Company, on 13<sup>th</sup> January, 2025, had issued and allotted 18,69,000 fully paid-up equity shares of face value of ₹ 2/- each at a price of ₹ 1,043.33 per equity share, including a premium of ₹ 1,041.33 per equity share, aggregating up to ₹ 19,499.84 Lakhs to the identified allottees / investors, not belonging to "Promoter and Promoter Group" of the Group by way of a preferential issue on private placement basis, for cash consideration (the "Preferential Allotment") in accordance with provisions of the Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and as per applicable provisions of the Companies Act, 2013 and rules made thereunder. The Company received final listing and trading approvals from BSE Limited and National Stock Exchange of India Limited on 27<sup>th</sup> January, 2025 as a result of which number of shares of the Company increased from 69227250 shares to 71096250 shares. Consequently, equity share capital and other equity (securities premium) of the

Company was increased by ₹ 37.5 lakhs and ₹ 19,462.5 lakhs, respectively.

#### Fund raising through Qualified Institutions Placement ('QIP Issue')

Based on the authority conferred by the Board at its meeting held on 31<sup>st</sup> October, 2024 and as approved by the Fund Raising Committee and as approved by Shareholders of the Company by way of Postal Ballot on 30<sup>th</sup> November, 2024, the Company, on 29<sup>th</sup> January, 2025, made allotment of 74,76,635 fully paid up equity shares of face value of ₹ 2 each at a price of ₹ 1,070 per equity share (including premium of ₹ 1,068 per equity share), representing a discount of ₹ 37.89 to the floor price of ₹ 1,107.89 per equity share, to the eligible Qualified Institutional Buyers on a preferential basis, aggregating to approximately ₹ 799,99.99 Lakhs, in accordance with the provisions of Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The Company received final listing and trading approvals from BSE Limited and National Stock Exchange of India Limited on 29<sup>th</sup> January, 2025 as a result of which number of shares of the Company increased from 71096250 shares to 78572885 shares.

Post Preferential Allotment and QIP, the paid up equity share capital of the Company has increased from ₹1,384.54 Lakhs to ₹1,571.46 Lakhs.

Pursuant to the provisions of regulation 32(7A) of the SEBI Listing Regulations, 2015, Issue proceeds of the Preferential Issue of Convertible Warrants amounting to ₹2,498.31 Lakhs (being 25% of the total consideration) and Preferential Issue of Equity Shares of ₹194,99.84 Lakhs have been fully utilized by the Company for the same objects or purposes for which funds were raised and there is no unutilised amount as at the end of the quarter ended 31<sup>st</sup> March, 2025.

Out of the total proceeds of QIP Issue amounting to ₹79,999.99 Lakhs, ₹286.87 Lakhs remained unutilized as on 31<sup>st</sup> March, 2025, and the rest of the proceeds were utilized for the same objects or purposes for which funds were raised.

Monitoring Agency Reports received from CRISIL Ratings Limited ("CRISIL"), monitoring agency appointed for both QIP and PI have been filed with the stock exchanges and is also available on the Company's website at <https://www.sudarshan.com>

Statement of fund utilisation pursuant to regulation 32 of the SEBI Listing Regulations, 2015 has also been filed with the stock exchanges for both PI and QIP.

#### **Related Party Transactions:**

The Company has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015. A transaction with a related party is considered material if the transaction(s) to be entered into individually or

taken together with previous transactions during a financial year, exceeds rupees 1,000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Pursuant to the relevant provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, Regulation 23 of the SEBI Listing Regulations, 2015 and various circulars issued by SEBI, the said Policy was last revised and adopted in the Board Meeting held on 14<sup>th</sup> February, 2025 and the same has been disclosed on the website of the Company at <https://www.sudarshan.com/related-party-transaction-policy-new.pdf> Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which forms part of the Policy on Related Party Transactions. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and ensures compliance with the requirements of SEBI Listing Regulations, 2015 and the Companies Act, 2013. There were no material significant transactions entered into by the Company that may have a potential conflict with the interest of the Company. The aforesaid policy on Related Party Transactions has been amended in line with the amendments to the SEBI Listing Regulations, 2015.

A statement showing disclosure of transactions with related parties during FY 2024-25 as required under Indian Accounting Standards is set out separately in this Annual Report.

**Subsidiary Companies - Monitoring Framework:**

 The Company has the following subsidiary companies as on 31<sup>st</sup> March, 2025:

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**Direct Subsidiaries:**


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 Sudarshan Europe B.V.  
 Sudarshan CSR Foundation  
 RIECO Industries Limited
 

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**Step-Down Subsidiaries**


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 Sudarshan Japan Limited<sup>(1)</sup>  
 Sudarshan North America Inc.  
 Sudarshan (Shanghai) Trading Company Limited  
 Sudarshan Mexico S. de R. L. de CV.  
 Sudarshan Brasil Ltda.^  
 Sudarshan Middle East General Trading L.L.C. ^ (incorporated on 13<sup>th</sup> February, 2025)  
 Sudarshan Germany Horizons GmbH\*\* (formerly known as Blitz F24-522 GmbH)  
 Sudarshan Langelsheim PLT GmbH\*\* (formerly known as Blitz F24-523 GmbH)  
 Sudarshan Langelsheim RE GmbH\*\* (formerly known as Blitz F24-524 GmbH)  
 Sudarshan Europe Management GmbH\*\*\* (formerly known as Blitz F24-526 GmbH)  
 Sudarshan Lux Holding S.à r.l.\* (formerly known as Heubach Holding S.à r.l.)  
 Sudarshan USA HLD1 LLC\* (formerly known as Heubach Holding USA LLC)  
 Sudarshan Fairless Hills MFG Ltd., LP\* (formerly known as Heubach Ltd.)  
 Sudarshan USA SLO LLC\* (formerly known as Heubach Colorants USA LLC)  
 Sudarshan Switzerland HLD1 AG\* (formerly known as Heubach Holding Switzerland AG)  
 Sudarshan Switzerland HLD2 AG\* (formerly known as Heubach EBITO Chemieeteiligungen AG)  
 Sudarshan Switzerland Consulting AG\* (formerly known as Heubach Colorants Consulting Switzerland AG)  
 Sudarshan Switzerland SLO AG\* (formerly known as Heubach Colorants Switzerland AG)  
 Heubach Colorants (Shanghai) Ltd.\*  
 Heubach Colorants Pigment Preparations (Tianjin) Ltd.\*  
 Hangzhou Baihe Heubach Pigments Co. Ltd.\* ##  
 Heubach Colour Private Limited\*  
 Heubach Pigments Private Limited\*  
 Heubach Toyo Colour Private Limited\* ##  
 Heubach Colorants India Limited\* #  
 Sudarshan Japan MFG K.K.\* (formerly known as Heubach Colorants Japan K.K.)  
 Sudarshan Osaka SLO K.K.\* (formerly known as Heubach Japan K.K.)  
 Heubach Research Centre s.r.o.\*  
 Sudarshan Italy SLO S.r.l.\* (formerly known as Heubach Colorants Italy S.r.l.)  
 Heubach Colorants Ibérica, S.L.U.\*  
 Sudarshan France SLO SAS\* (formerly known as Heubach Colorants France SAS)  
 Sudarshan Belgium SLO SRL\* (formerly known as Heubach Colorants Belgium SRL)  
 Sudarshan UK SLO Ltd.\* (formerly known as Heubach Colorants UK Ltd)  
 Heubach Europa EWIV\*  
 Heubach Colorants Argentina S.A.U.\*  
 Sudarshan Brasil MFG Ltda.\* (formerly known as Heubach Colorants Brasil Ltda.)  
 Heubach Colorants Colombia S.A.S.\*  
 Sudarshan Canada SLO Inc.\* (formerly known as Heubach Colorants Canada Inc.)  
 Sudarshan Chile Industria Química Limitada\* (formerly known as Heubach Colorants Chile Industria Química Limitada)  
 Sudarshan Singapore SLO Pte. Ltd.\* (formerly known as Heubach Colorants Singapore Pte. Ltd.)  
 Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.Ş.\* (formerly known as Heubach Colorants Turkey Boya Sanayi ve Ticaret A.Ş.)  
 Sudarshan Southern Africa MFG (Pty) Ltd.\* (formerly known as Heubach Colorants Southern Africa (Pty) Ltd)
 

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Heubach Colorants Korea Ltd.*
Sudarshan MFG (Thailand) Ltd.* (formerly known as Heubach Colorants (Thailand) Ltd.)
Sudarshan Malaysia SLO Sdn. Bhd.* (formerly known as Heubach Colorants Malaysia Sdn. Bhd.)
P.T. Heubach Colorants Indonesia*
P.T. Heubach Colorants Coatings Indonesia*
Heubach Colorants México, S.A. de C.V.*
Heubach Colorants México Productos Químicos, S.A. de C.V.*
Heubach Colorants Taiwan Co., Ltd.*
Inventories Frankfurt GmbH*
VP4 Frankfurt GmbH*
Inventories Langelshiem GmbH*
Heubach Foundation*
Heubach Colorants Scandinavia AB*^^
Heubach Colorants Peru S.A.C.*^^
Heubach Colorants Middle East FZE*^^

**Notes:**

<sup>(1)</sup>on 25<sup>th</sup> March, 2025, for the purpose of reorganization of the current structure of foreign subsidiaries of the Company, investment held by the Company (in the form of Equity Share Capital / Capital Contribution) in Sudarshan Japan Limited, Wholly Owned Subsidiary, was transferred to Sudarshan Europe B.V., another Wholly Owned Subsidiary of the Company, making Sudarshan Japan Limited a Step-Down Subsidiary of the Company.

\* Acquired on 3<sup>rd</sup> March, 2025 pursuant to the acquisition of Global Pigment Business Operations of Heubach Group

\*\*Acquired on 20<sup>th</sup> December, 2024.

\*\*\*Acquired on 14<sup>th</sup> January, 2025.

# Ownership interest held by non-controlling interest as at 31<sup>st</sup> March, 2025 is 54.36%.

## Investment in these entities has been accounted by equity method.

^The said step-down subsidiary is yet to commence business operations and there has been no transactions since incorporation and hence the same has not been consolidated as at 31<sup>st</sup> March, 2025.

^^Under liquidation.

The Company monitors performance of its subsidiary companies, inter-alia, by the following means:

The Audit Committee reviews financial statements of the subsidiary companies, along with investments made by them, on a periodical basis.

The Board of Directors reviews the Board Meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary companies, on a periodical basis.

**General Body Meeting:**

Details of last three Annual General Meetings are given below:

Financial Year	Date	Venue	No. of Directors present
FY 2023-2024	2 <sup>nd</sup> August, 2024 at 4:00 p.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	13
FY 2022-2023	11 <sup>th</sup> August, 2023 at 4:00 p.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	11
FY 2021-2022	9 <sup>th</sup> August, 2022 at 4:00 p.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	11

**Details of Special Resolutions passed at the previous three Annual General Meetings:**

Date of AGM	Details of Special Resolutions passed	Remarks
2 <sup>nd</sup> August, 2024	(a) Appointment of Ms. Bhumika Batra (DIN: 03502004) as an Independent Director of the Company for a term of five years effective 2 <sup>nd</sup> August, 2024 up to 1 <sup>st</sup> August, 2029. (b) Appointment of Mrs. Anu Wakhlu (DIN: 00122052) as an Independent Director of the Company for a term of five years effective 2 <sup>nd</sup> August, 2024 up to 1 <sup>st</sup> August, 2029. (c) Appointment of Mrs. Sudha Navandar (DIN: 02804964) as an Independent Director of the Company for a term of five years effective 2 <sup>nd</sup> August, 2024 up to 1 <sup>st</sup> August, 2029. (d) Approval of remuneration of Mr. Rajesh B. Rathi (DIN: 00018628) as Managing Director in accordance with the provisions of the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (e) Approval of ratification and amendments in Sudarshan Employee Stock Option Plan, 2018. (f) Approval to extend the benefits under Sudarshan Employee Stock Option Plan, 2018 to the employees of Subsidiary Company(ies) / Associate Company(ies) of the Company	All Special Resolutions were passed with the requisite majority.
11 <sup>th</sup> August, 2023	(a) Ratification and Confirmation of Remuneration paid to Mr. Rajesh Rathi (DIN: 00018628) Managing Director of the Company for the Financial Year 2022-23. (b) Payment of remuneration to Mr. Rajesh Rathi (DIN: 00018628), Managing Director as 'Minimum Remuneration' in case of no profits/inadequacy of profits for FY 2023-24 notwithstanding that the remuneration payable to Mr. Rajesh Rathi exceeds the limits prescribed under the provisions of Section 197 read with Schedule V of the Act and Regulation 17(6)(e) of SEBI Listing Regulations, 2015. (c) Re-appointment of Mr. Naresh T. Raisinghani (DIN:00568298) as an Independent Director of the Company not liable to retire by rotation, and to hold office for a second term of five consecutive years with effect from 24 <sup>th</sup> May, 2023 up to 23 <sup>rd</sup> May 2028. (d) Re-appointment of Dr. Deepak Parikh (DIN: 06504537) as an Independent Director of the Company not liable to retire by rotation, and to hold office for a second term of five consecutive years with effect from 1 <sup>st</sup> April, 2024 up to 31 <sup>st</sup> March, 2029.	All Special Resolutions were passed with the requisite majority.
9 <sup>th</sup> August, 2022	There was no Special Resolution passed	-

**Details of Extraordinary General Meetings (EOGM) held during FY2024-25 are given below:**

Date	Venue	No. of Directors Present
4 <sup>th</sup> January, 2025 at 4:00 p.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	8
4 <sup>th</sup> March, 2025 at 11:00 a.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	7

**Details of Special Resolution(s) passed at the Extraordinary General Meetings:**

Date of EOGM	Details of Special Resolution(s) passed	Votes (No. of shares and percentage)		Remarks
		In favour	Against	
4 <sup>th</sup> January, 2025	Approval for issuance of Equity Shares to person(s) belonging to Non-Promoter category on a preferential basis for cash consideration	52379454 99.76%	125755 0.24%	Special Resolution was passed with the requisite majority.
4 <sup>th</sup> March, 2025	To approve proposal for creation of pledge or other security interest on the shareholding of Material Subsidiary and Sale, Disposal and Leasing of assets of the Material Subsidiaries of the Company	57943176 97.84%	1280974 2.16%	Special Resolution was passed with the requisite majority.

The Board of Directors appointed Mr. Rajesh Karunakaran, Practicing Company Secretary, Pune (FCS No. 7441, C.P. No. 6581), as a Scrutinizer to scrutinize the process of remote e-voting in a fair and transparent manner for both the Extraordinary General Meetings. Accordingly, voting results of the Special Resolutions passed at the aforesaid Extraordinary General Meetings held on 4<sup>th</sup> January, 2025 and 4<sup>th</sup> March, 2025 were submitted with the Stock Exchanges within the statutory timelines.

**Approval of Members and Procedure through Postal Ballot:**

During the Financial Year 2024-25, approval of the shareholders was sought by way of Postal Ballot mechanism for the following Special Businesses:

Particulars of Resolution passed	Type of Resolution passed	Votes (No. of shares and percentage)		Date of passing Resolution*
		In favour	Against	
Approval for increase in the Authorised Share Capital and consequent amendment to the Memorandum of Association	Ordinary Resolution	52,122,247 99.99%	1,649 0.003%	30 <sup>th</sup> November, 2024
Approval for raising of funds in one or more tranches through issuance of Equity Shares and / or other securities to eligible investors	Special Resolution	51,509,673 98.83%	612,378 1.17%	30 <sup>th</sup> November, 2024
Issue of securities on a Preferential Basis to Member of the Promoter and Promoter Group of the Company	Special Resolution	51,506,927 98.82%	614,974 1.18%	30 <sup>th</sup> November, 2024
Approval for enhancement of limit for the loan, guarantee and investment by the Company under Section 186 of the Companies Act, 2013, and Rules made thereunder	Special Resolution	47,152,441 90.47%	4,969,444 9.53%	30 <sup>th</sup> November, 2024

Particulars of Resolution passed	Type of Resolution passed	Votes (No. of shares and percentage)		Date of passing Resolution*
		In favour	Against	
Approval for increase in the borrowing limit under Section 180(1)(c) of the Companies Act, 2013, and Rules made thereunder	Special Resolution	47,777,677 91.67%	4,344,223 8.33%	30 <sup>th</sup> November, 2024
Approval in terms of Section 180(1)(a) of the Companies Act, 2013 and Rules made thereunder for creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company	Special Resolution	47,777,521 91.66%	4,344,380 8.34%	30 <sup>th</sup> November, 2024

\*Resolutions were deemed to have been passed on the last date specified for remote e-voting i.e., 30<sup>th</sup> November, 2024.

The Board of Directors appointed Mr. Rajesh Karunakaran, Practicing Company Secretary, Pune (FCS No. 7441, C.P. No. 6581), as a Scrutinizer to scrutinize the process of Postal Ballot / e-voting in a fair and transparent manner. Accordingly voting results of the resolutions passed by way of Postal Ballot process were submitted with the Stock Exchanges within the statutory timelines.

#### Whether any Special Resolution is proposed to be passed through Postal Ballot this year:

There is no immediate proposal for passing any Special Resolution through Postal Ballot. However, subsequent to the Financial year 2024-25, the approval of shareholders was sought by passing an Ordinary Resolution by way of Postal Ballot for Reclassification of Mr. A. N. Rathi Group (Anuj Narayandas Rathi, Narayandas Jagannath Rathi, Archana Anuj Rathi, Anuj Narayandas Rathi (HUF) and NJR Finance Private Limited) from 'Promoter/Promoter Group' category to 'Public' category, pursuant to Regulation 31A of SEBI Listing Regulations, 2015. The said resolution was deemed to have been passed on the last date specified for remote e-voting i.e., 24<sup>th</sup> May, 2025.

The Board of Directors appointed Mr. Rajesh Karunakaran, Practicing Company Secretary, Pune (FCS No. 7441, C.P. No. 6581), as a Scrutinizer to scrutinize the process of Postal Ballot / e-voting in a fair and transparent manner. Accordingly voting results of the resolution passed by way of Postal Ballot process were submitted with the Stock Exchanges within the statutory timelines.

Further, the Company is in the process of seeking an approval of shareholders by passing an Ordinary Resolution through postal ballot for reclassification of shareholding of Mr. Pradeep R. Rathi Group (Pradeep R. Rathi, Rahul P. Rathi and Subhadra P. Rathi) from "Promoter / Promoter Group" category to the "Public" category and the Company shall dispatch the Notice of Postal Ballot for seeking shareholders' approval within the statutory timelines. Further, the Board of Directors have

appointed Mr. Rajesh Karunakaran, Practicing Company Secretary, Pune (FCS No. 7441, C.P. No. 6581), as a Scrutinizer to scrutinize the process of Postal Ballot / e-voting in a fair and transparent manner. Accordingly voting results of the resolution passed by way of Postal Ballot process shall be submitted with the Stock Exchanges within the statutory timelines.

#### Disclosure:

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

Sudarshan Europe B. V., Wholly Owned Subsidiary of the Company completed acquisition of the Global Pigment Business Operations of Heubach Group on 3<sup>rd</sup> March, 2025. Post this acquisition, the Company now has 58 subsidiaries (including step-down subsidiaries) and 2 joint venture companies. In accordance with Regulation 33 of the SEBI Listing Regulations, 2015, the Company was required to submit its audited standalone and consolidated financial results for the quarter and year ended 31<sup>st</sup> March, 2025 (including the financial results of the newly acquired subsidiaries on consolidated basis) by 30<sup>th</sup> May, 2025. The Company intimated in advance to the Stock Exchanges regarding the delay in submission of the said standalone and consolidated financial results within the statutory timelines. As disclosed in the aforesaid intimation made to the Stock Exchanges, the delay was attributable to reasons including the challenges faced due to insolvency impact of the acquired entities, extensive financial reporting integration and complexities arising from business combination accounting. Therefore, consequent to closure of the financial year ended 31<sup>st</sup> March, 2025, the Company paid fines levied by the Stock Exchanges as stated in the table below. The Shareholders are requested to note that the Company has submitted its audited standalone and consolidated financial results for the quarter and year ended 31<sup>st</sup> March, 2025 on 25<sup>th</sup> July, 2025 and necessary statutory requirements have been completed.

Name of the Statutory Authority	Amount of fine paid by the Company*
BSE Limited	₹ 3,58,720
National Stock Exchange of India Limited	₹ 1,53,400

\*Amount of fine paid by the Company includes basic fine plus GST, as applicable.

Details of material subsidiaries of the Company:

The Company has two material unlisted wholly owned subsidiaries for the year under review viz. RIECO Industries Limited and Sudarshan Europe B.V. for FY 2024-25. Since income or net worth of RIECO Industries Limited and Sudarshan Europe B.V. does not exceed 20% of the consolidated income or net worth of the Group, it is not required to have an Independent Director of the Company on the Board of the aforesaid material unlisted wholly owned subsidiaries. However, in the interest of good governance, Independent Directors have been appointed on the Board of RIECO Industries Limited.

Based on the audited financial figures as of 31<sup>st</sup> March, 2025, Heubach Colorants India Limited, Sudarshan Gujarat MFG Private Limited (formerly known as Heubach Colour Private Limited), Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG) and Inventories Frankfurt GmbH have become material subsidiaries for FY 2025-26. The Policy for determining "Material" subsidiaries can be accessed from the Company website <https://www.sudarshan.com/material-subsiidiary-policy.pdf>.

Details of the aforesaid material subsidiary of the Company as required by Regulation 34(3) and 53(f) and Schedule V of SEBI Listing Regulations, 2015, are given below:

Name of the material subsidiary	Date of Incorporation	Place of Incorporation	Name of statutory auditor of the material subsidiary and date of their appointment
Heubach Colorants India Limited	27 <sup>th</sup> December, 1956	India	M/s. MSKA & Associates (Date of Initial Appointment - 20 <sup>th</sup> August, 2020 and proposed to be re-appointed for 5 years)
Sudarshan Gujarat MFG Private Limited (formerly known as Heubach Colour Private Limited),	28 <sup>th</sup> September, 1993	India	M/s. B S R & Associates LLP (Date of Initial Appointment - 9 <sup>th</sup> September, 2020)
Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG)	31 <sup>st</sup> October, 2018	Switzerland	Refer note 1 below
Inventories Frankfurt GmbH	11 <sup>th</sup> December, 2024	Germany	Refer note 2 below

notes:

1. Due to insolvency declared by the Heubach Group entities, audit of Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG) for calendar year ended 31<sup>st</sup> December 2022, 31<sup>st</sup> December, 2023 and 31<sup>st</sup> December, 2024 is pending.
2. The first calendar year closure of Inventories Frankfurt GmbH shall be 31<sup>st</sup> December, 2025 and hence, appointment of Statutory Auditor shall be made in due course.

The minutes of the meetings of the Board of the Subsidiary Companies were tabled before the Board at respective Board meetings and noted.

Necessary details regarding the Credit Ratings obtained by the Company for any debt instrument or any other scheme involving mobilisation of funds are disclosed in the Shareholders' Information Report.

Details regarding number of complaints filed during the financial year, complaints disposed of and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

During the year under review, the total fees paid by the Company and its Subsidiaries (including discontinued operations) to

the Statutory Auditors of the Company, and all other entities forming part of the same network, aggregate ₹279.4 lakhs.

During the year under review, the Company has advanced loans and advances including corporate guarantees to subsidiaries in which the directors are interested and the same have been disclosed in the notes to the Financial Statements.

It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and Clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015.

The Financial Statements of the Company for the Financial Year 2023-24 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and Rules made thereunder.

## Details of Senior Management

List of Senior Management Personnel

Sr. No.	Name	Designation
1	Mr. R. B. Rathi	Chairman and Managing Director*
2	Mr. A. Vij	Wholetime Director
3	Mr. Nilkanth Natu	Chief Financial Officer
4	Mr. Mandar Velankar	General Counsel and Company Secretary
5	Ms. Shivalika Raje	Head - People Practices
6	Mr. Sandip Mhalgi	Head - Business Technology

\*Mr. Rajesh B. Rathi was appointed as a Chairman effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role as a Managing Director.

During the Financial Year 2024-25, there were no changes in the Senior Management Personnel, except re-appointment(s) made during the year, if any.

### Status of compliance with Mandatory and Discretionary Requirements under SEBI Listing Regulations, 2015, during FY 2024-25:

#### Mandatory:

The Company has complied with the mandatory requirements of the SEBI Listing Regulations, 2015.

#### Discretionary:

The Company has also complied with the discretionary requirements as under:

#### 1) The Board

As on 31<sup>st</sup> March, 2025, the Company had a Non-Executive Chairperson. A Non-Executive Chairperson was entitled to maintain a chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

Subsequent to Financial Year ended on 31<sup>st</sup> March, 2025, Mr. P. R. Rathi resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025. Consequently, the Board appointed Mr. R. B. Rathi as a Chairman effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role of Managing Director. Therefore, as on the date of this report, the Company has Executive Chairperson.

#### 2) Shareholder rights

At present, the Company is not sending half-yearly declaration of financial performance including summary of significant events in the preceding six months to

each household of shareholders. However, after the declaration of quarterly financial results, a tele-call with investor community is arranged and the Company makes a presentation on its financial performance. A copy of the said presentation is available on the websites of the Company and the Stock Exchanges.

#### 3) Modified opinion(s) in audit report

For the Financial Year ended on 31<sup>st</sup> March, 2025, the Statutory Auditors of the Company has issued audit report with unmodified opinion for the audited Stand-alone Financial Results. Whereas, audit report for the audited Consolidated Financial Results is issued with a modified opinion for the reasons mentioned in the said audit report and the Directors' Report which forms part of this annual report.

#### 4) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

The listed entity may appoint separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson shall –

- be a non-executive director; and
- not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.

As on 31<sup>st</sup> March, 2025, the Company had a Non-Executive Chairperson.

Subsequent to Financial Year 2024-25, Mr. P. R. Rathi resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025. Consequently, the Board appointed Mr. R. B. Rathi as a Chairman effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role of Managing Director. Therefore, as on the date of this report, the Company has Executive Chairperson.

#### 5) Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee. Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities' is provided in Notes of the Standalone and Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025, respectively.

During the year under review, the Company raised funds through preferential allotment or qualified institutional placement. Details of the same have been provided separately in this Corporate Governance Report.

**Secretarial Audit:**

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2025 is annexed to the Directors' Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Annual Secretarial Compliance Report has been submitted to the Stock Exchanges as required under Regulation 24A of SEBI Listing Regulations, 2015. In terms of amended Regulation 24A of SEBI Listing Regulations, 2015, the Board at its meeting held on 25<sup>th</sup> July, 2025, has approved the appointment of M/s. J. B. Bhawe & Co., Practicing Company Secretaries, a peer reviewed firm (Peer Review Certificate No. 1238/2021 and UIN S1999MH025400) as the Secretarial Auditor of the Company for a period of five consecutive years commencing from FY2025-26 till FY2029-30, subject to approval of shareholders of the Company at the ensuing 74<sup>th</sup> Annual General Meeting. Detailed explanatory statement setting out his terms of appointment forms part of the Notice of Annual General Meeting.

**Disclosure of certain type of agreements binding listed entities:**

Text to be added and will be communicated separately.

**Means of Communication:**

Annual Reports, notice of the meetings and other communications to the members are sent through email, post or courier, as the case may be.

However, this year based on the Circulars issued by The Ministry of Corporate Affairs ("MCA") and SEBI from time to time, copies of the Annual Report and Notice of the 74<sup>th</sup> AGM, are being sent only by email to eligible members of the Company.

Members are requested to refer to the Notice of 74<sup>th</sup> AGM containing detailed instructions to register/update email addresses.

Further, pursuant to Regulation 36 of the SEBI Listing Regulations, 2015, as amended from time to time, a letter providing the web-link, including the exact path, where complete details of the Annual Report for Financial Year 2024-25 is available shall be sent to those shareholder(s) who have not registered their email address with the Company or its Registrar and Share Transfer Agent.

The Quarterly, Half-Yearly, Nine Monthly (Unaudited) and Yearly Standalone and Consolidated (Audited) Financial Results of the Company are announced / published within the prescribed time period stipulated under the SEBI Listing Regulations, 2015. These financial results were published in Financial Express (All Editions) and Loksatta (Pune).

The Company displays all unaudited / audited financial results on its website at <https://www.sudarshan.com/quarterly-reports/>.

Presentations made to the investors or to the analysts are intimated to the stock exchanges and are uploaded on website of the Company and Transcripts of Analyst meets are also displayed on the website of the Company at <https://www.sudarshan.com/investor-conference-calls/>.

In terms of SEBI Circular, the Company has designated e-mail address [grievance.redressal@sudarshan.com](mailto:grievance.redressal@sudarshan.com), [shares@sudarshan.com](mailto:shares@sudarshan.com) for enabling investors to post their grievances and to enable timely action on investor grievances, if any. Members are requested to forward their grievances, if any, at the designated e-mail address.

**Shareholders Information:**

Shareholder's information is separately provided in the Annual Report.

**MD and CFO Certification:**

The Managing Director and the CFO give an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015. The Managing Director and the CFO also give quarterly certification on financials result while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations, 2015. The annual certificate given by the Managing Director and the CFO in terms of Regulation 17(8) is published as Annexure II to this Report.

**Compliance Certificate:**

Certificate from Mr. Rajesh Karunakaran, Practicing Company Secretary (FCS No. 7441, C. P. No. 6581) confirming compliance with conditions of Corporate Governance as stipulated under SEBI Listing Regulations, 2015 is attached as Annexure III to this Report.

**Code of Conduct:**

The Board has laid down a Code of Conduct for all members of the Board and Senior Management consisting of members of the Corporate Executive Committee and other Employees / Executives of the Company. The Code of Conduct is posted on the Company's website at <https://www.sudarshan.com/code-of-conduct-for-directors-and-senior-management-personnel.pdf>. All the members of the Board and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the period from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025. A declaration dated 25<sup>th</sup> July, 2025 received from Mr. R. B. Rathi, Managing Director in this regard is given below:

To,  
The Board of Directors  
**Sudarshan Chemical Industries Limited**  
7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25,  
Near PAN Card Club Road, Baner, Pune - 411 069,  
Maharashtra, India

**Sub: Declaration as per Schedule V - Part D of SEBI Listing Regulations, 2015**

I, Rajesh B. Rathi, Chairman and Managing Director of the Company, hereby confirm and state that based on the declarations received, the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management, for Financial Year 2024-25.

For and on behalf of the Board of Directors For  
**SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

**R. B. RATHI**

Chairman and Managing Director  
DIN: 00018628

Date: 25<sup>th</sup> July, 2025  
Place: Pune

**Annexure I****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

Sudarshan Chemical Industries Limited

having its registered office at 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411069, Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sudarshan Chemical Industries Limited having CIN L24119PN1951PLC008409 and having registered office at 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune - 411 069, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me 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 opinion and to the best of my 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 by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 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 the Director	DIN	Date of appointment
1.	Mr. Pradeep R. Rathi <sup>4</sup>	00018577	08/11/1995
2..	Mr. Rajesh B. Rathi <sup>5</sup>	00018628	23/05/2008
3.	Mr. Dara N. Damania <sup>1</sup>	00403834	20/11/1984
4.	Mr. Subramanian Padmanabhan <sup>1</sup>	00001207	25/09/2002
5.	Mr. Sanjay K. Asher <sup>1</sup>	00008221	24/01/2009
6.	Mrs. Shubhalakshmi A. Panse	02599310	27/05/2015
7.	Mr. Naresh T. Raisinghani	00568298	13/02/2015
8.	Mrs. Rati F. Forbes <sup>1</sup>	00137326	29/03/2014
9.	Mr. Ashish Vij	08140194	24/05/2018
10.	Mr. Anuj N. Rathi <sup>3</sup>	00018683	08/08/2019
11.	Mrs. Sudha Pravin Navandar <sup>2</sup>	02804964	02/08/2024
12.	Mrs. Anu Arun Wakhlu <sup>2</sup>	00122052	02/08/2024
13.	Ms. Bhumika Batra <sup>2</sup>	03502004	02/08/2024

Notes:

- During the Financial Year 2024-25, Mr. Dara N. Damania (DIN: 00403834), Mr. Subramaniam Padmanabhan (DIN: 00001207), Mr. Sanjay K. Asher (DIN: 00008221), and Mrs. Rati F. Forbes (DIN: 00137326), ceased to be Non – Executive and Independent Directors of the Company effective close of business hours on 6<sup>th</sup> August, 2024 on account of completion of their second term as an Independent Directors of the Company.
- Mrs. Sudha P. Navandar (DIN: 02804964), Mrs. Anu A. Wakhlu (DIN: 00122052) and Ms. Bhumika Batra (DIN: 03502004) were appointed as a Non-Executive and Independent Directors effective 2<sup>nd</sup> August, 2024. The said appointments were also approved by the Shareholders of the Company at the 73<sup>rd</sup> Annual General Meeting held on 2<sup>nd</sup> August, 2024.
- Mr. Anuj. N. Rathi (DIN: 00018683) resigned as a Non-Executive and Non-Independent Director of the Company effective 14<sup>th</sup> February, 2025.

4. Subsequent to the Financial Year ended on 31<sup>st</sup> March, 2025, Mr. Pradeep R. Rathi (DIN: 00018577) resigned as a Chairman and Non-Executive and Non-Independent Director of the Company effective close of business hours on 29<sup>th</sup> May, 2025
5. Mr. Rajesh B. Rathi (DIN: 00018628) was appointed as a Chairman of the Board and Company, in addition to his current role as a Managing Director, effective close of business hours on 29<sup>th</sup> May, 2025.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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 **Rajesh Karunakaran & Co.,**  
Company Secretaries

**Rajesh Karunakaran**  
Company Secretary

C.P. -6581

FCS No. 7441

UDIN – F007441G000863043

Peer Review Certificate no.1260/2021 dated 28<sup>th</sup> June, 2021

Pune , 25<sup>th</sup> July, 2025

**Annexure II****CERTIFICATE OF MANAGING DIRECTOR AND CFO**

[as per the provisions of Reg. 17(8) and Part B of Schedule II of the SEBI

**[(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015")]**

To,

The Board of Directors

Sudarshan Chemical Industries Limited

7<sup>th</sup> Floor, Eleven West Panchshil,

Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India

In respect of the Financial Statements of the Company for the Year ended 31<sup>st</sup> March 2025, we hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement of 'Sudarshan Chemical Industries Limited' ("the Company") for the year ended 31<sup>st</sup> March 2025, and that to the best of our knowledge and belief, we hereby state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - (2) 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
- B. 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 violation of the Company's code of conduct.
- C. 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, if any, in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies, if any.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) that there were no significant changes in internal control over financial reporting during the year;
  - (2) that there were no significant changes in accounting policies made during the year except, as disclosed in the notes to the financial statements; and
  - (3) that there were no instances of significant fraud of which we have become aware of, involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

<b>Place: Pune</b>	<b>R. B. Rathi</b>	<b>Nilkanth Natu</b>
Date: 25 <sup>th</sup> July, 2025	Chairman and Managing Director (DIN: 00018628)	Chief Financial Officer

**Annexure III**  
**CORPORATE GOVERNANCE CERTIFICATE**

[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To:

The Members of

Sudarshan Chemical Industries Limited

7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411069, Maharashtra, India

I have examined the compliance of conditions of corporate governance by Sudarshan Chemical Industries Limited ("the Company"), for the year ended on 31<sup>st</sup> March, 2025, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to the review of 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 my opinion and to the best of my information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in SEBI Listing Regulations, 2015, as applicable.

I 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 **RAJESH KARUNAKARAN & CO.,**  
COMPANY SECRETARIES

**RAJESH KARUNAKARAN**  
COMPANY SECRETARY FCS No. 7441/CP No. 6581  
UDIN- F007441G000863076  
Peer Review Certificate no. 1260/2021 dated 28<sup>th</sup> June, 2021  
Pune , 25<sup>th</sup> July, 2025

### 1. ANNUAL GENERAL MEETING:

<b>Day and Date</b>	<b>Monday, 29<sup>th</sup> September, 2025</b>
<b>Time</b>	4:00 P.M. (IST)
<b>Venue</b>	The 74 <sup>th</sup> Annual General Meeting ("AGM") would be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The venue of the meeting shall be deemed to be the Registered Office of the Company at 7 <sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India

As per the applicable circulars issued by the Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs ("MCA"), the Companies are allowed to conduct the AGM through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") on or before 30<sup>th</sup> September, 2025, and also copies of the financial statements (including Report of Board of Directors, Auditor's report and / or other documents required to be attached therewith), and such statements including the Notice of AGM are being sent only in electronic mode to Members whose e-mail address is registered with the Company / Registrar and Transfer Agent ("RTA") or Depository Participant(s) ("DP"). As per the applicable circulars issued by SEBI and MCA, 73<sup>rd</sup> AGM of the Company was conducted through VC / OAVM on 2<sup>nd</sup> August, 2024.

### 2. FINANCIAL CALENDAR (TENTATIVE): APRIL 2025 TO MARCH 2026 (FINANCIAL YEAR OF THE COMPANY IS 1<sup>ST</sup> APRIL TO 31<sup>ST</sup> MARCH)

Sr. No.	Particulars & Meetings	Actual / Tentative Date
1	Audited Financial Results for the Quarter and year ended 31 <sup>st</sup> March, 2025	Friday, 25 <sup>th</sup> July, 2025
2	Unaudited Quarterly Results for the Quarter ended 30 <sup>th</sup> June, 2025	Within 45 days of the Quarter ended June, 2025
3	74 <sup>th</sup> Annual General Meeting	Monday, 29 <sup>th</sup> September, 2025
4	Unaudited Quarterly Results for the Quarter and half year ended 30 <sup>th</sup> September, 2025	Within 45 days of the Quarter and half year ended 30 <sup>th</sup> September, 2025
5	Unaudited Quarterly Results for the Quarter and nine months ended 31 <sup>st</sup> December, 2025	Within 45 days of the Quarter and nine months ended 31 <sup>st</sup> December, 2025
6	Audited Financial Results for the Quarter and year ended 31 <sup>st</sup> March, 2026	Within 60 days of the Quarter and year ended 31 <sup>st</sup> March, 2026

### 3. RECORD DATE AND DIVIDEND PAYMENT DATE :

During FY 2023-24, the Board of Directors at its meeting held on 6<sup>th</sup> March, 2024 declared an Interim Dividend of ₹3.60/- (Three Rupees and Sixty Paise only) per Equity Share of ₹2.00/- each (180%), which was paid to the eligible Shareholders within the statutory timelines. The same was confirmed by the Shareholders at the 73<sup>rd</sup> AGM held on 2<sup>nd</sup> August, 2024.

The Board of Directors at its meeting held on 17<sup>th</sup> May, 2024, had recommended a Final Dividend for FY 2023-24 of ₹1.00/- (One Rupee only) per Equity Share of ₹2.00/- each (50 %) for FY 2023-24, which was approved by the Shareholders at the 73<sup>rd</sup> AGM held on 2<sup>nd</sup> August, 2024 and which was paid to the eligible Shareholders within the statutory timelines. The Interim Dividend along with the recommended Final Dividend aggregated to a total Dividend of ₹4.60/- (Four Rupees and Sixty Paise only) per Equity Share of ₹2.00/- each (230%) for the Financial Year 2023-24.

The Board of Directors at its meeting held on 25<sup>th</sup> July, 2025 recommended Final Dividend for FY 2024-25 of ₹4.50/- (Four Rupees and Fifty Paise only) per Equity share of ₹2.00/- each (225%) subject to approval of Shareholders at the ensuing 74<sup>th</sup> AGM.

A proposal seeking Shareholders' approval to declare the Final Dividend for the Financial Year 2024-25 is forming part of the Notice of the 74<sup>th</sup> AGM. If approved by Shareholders, the Final Dividend shall be paid on or before 20<sup>th</sup> October, 2025.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of Shareholders. The Company shall accordingly, make the payment of Final Dividend after deduction of tax at source. There will be no Dividend Distribution Tax payable by the Company. The dividend, declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. The TDS rate would vary depending on the residential status of the shareholders and the documents submitted by them and accepted by the Company.

The dividend payout is in accordance with the Company's Dividend Distribution policy which is provided as **Annexure III** to Report of the Board of Directors, and is also available on the website of the Company : <https://www.sudarshan.com/dividend-distribution-policy.pdf>.

#### 4. DIVIDEND TREND FOR PAST FIVE YEARS:

Sr. No.	Dividend Year	Dividend %	Dividend Per Share
1.	FY 2023-24 (Final Dividend) FY 2023-24 (Interim Dividend)	50.00 180.00	₹1.00/- per share of ₹2.00/- each ₹3.60/- per share of ₹2.00/- each
2.	FY 2022-23 (Final Dividend)	75.00	₹1.50/- per share of ₹2.00/- each
3.	FY 2021-22 (Final Dividend)	250.00	₹5.00/- per share of ₹2.00/- each
4.	FY 2020-21 (Final Dividend)	300.00	₹6.00/- per share of ₹2.00/-each
5.	FY 2019-20 (Interim Dividend which was confirmed as Final Dividend at the 69 <sup>th</sup> AGM)	315.00 (Including Special Dividend 25.00)	₹6.30/- per share of ₹2.00/-each (Including Special Dividend of ₹0.50/- per share)

#### 5. LISTING ON STOCK EXCHANGES AND STOCK CODE

Name	Code
<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Telephone Nos.: 022 – 2272 1233 / 34 Fascimile No.: 022 – 22721919 Website: www.bseindia.com	<b>506655 (equity)</b> <b>974058 (debt)*</b>
<b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051 Telephone Nos. 022 - 2659 8100 - 14 Fascimile No.: 022 – 2659 8120 Website: www.nseindia.com	<b>SUDARSCHEM (equity)</b>

\*Unsecured NCDs were redeemed in full on 18<sup>th</sup> July, 2025.

The International Security Identification Number ("ISIN") for Company's Equity Shares registered with NSDL and CDSL is INE659A01023 and ISIN for Company's Non-Convertible Debentures ("NCDs") with is INE659A08036. Unsecured NCDs were redeemed in full on 18<sup>th</sup> July, 2025. Post redemption, said ISIN is extinguished. All the necessary statutory formalities in this regard have been duly complied.

The Company has paid the Annual Listing fees of BSE Limited and National Stock Exchange of India Limited for FY 2025-26.

During Financial Year 2022-23, the Company issued Unsecured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures on private placement basis for which it entered into an agreement with Catalyst Trusteeship Limited to act as Debenture Trustee and appointed MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) as Registrar and Transfer Agent.

NCDs	Value(in ₹)	Date of Allotment	Tenure	Redemption Date
8.45% NCDs (INE659A08036)	99 Crores	18 <sup>th</sup> July, 2022	36 months	18 <sup>th</sup> July, 2025

Pursuant to Regulations 52(7) and (7A) of SEBI Listing Regulations, 2015, read with SEBI Circular No SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/000000103 dated 29<sup>th</sup> July, 2022, proceeds of Non-Convertible Debentures issued during the year were utilised for the purpose as stated in the Information Memorandum.

Pursuant to amended Regulation 23 of SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, an enabling provision in Articles of Association of the Company, permitting appointment of a nominee director by a Debenture Trustee, in case there is a default by the Company in relation to its NCDs is required. Considering the fact, a clause in this regard is already in place, therefore, the Company was not required to amend its Articles of the Association.

Pursuant to amended Regulation 18(6A) of SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, the Trust Deed shall contain a provision, mandating the issuer to appoint the person nominated by the Debenture Trustee(s) in terms of Regulation 15(1)(e) of SEBI (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s). The issuers, whose Debt

Securities were listed, were required to amend their Debenture Trust Deed on or before 30<sup>th</sup> September, 2023. Accordingly, the Company has amended its Trust Deed on 25<sup>th</sup> September, 2023, complying with the aforesaid requirements.

Subsequent to FY 2024-25, the aforesaid NCDs, listed on Wholesale Debt Market Segment of BSE Limited, were fully redeemed by the Company by making payment of accrued interest and principle amount on 18<sup>th</sup> July, 2025 in accordance with the Debenture Trust Deed. All the statutory formalities with respect to the redemption have been duly completed by the Company.

## 6. INVESTOR RELATIONS

Investor Relations ("IR") at the Company aim at proactively giving timely information to the investors so that they can take a well-considered decision. This two-way communication by periodically holding con-call / holding of annual investor meet helps keep the stakeholders updated with the quarterly financial performance and material business events. Feedback received from investors is given due consideration by the Company's Management.

In order to ensure provision of timely and adequate information, the Company provides updates on its performance to all investors after the release of quarterly / half yearly / yearly results.

Post quarterly results, a conference call is arranged to discuss highlights of the Company's performance. Members of the investor community are invited for the same and an opportunity is provided to them to participate in the Q & A. Conference calls are hosted by the Company in order to give a free and fair opportunity for all the participants.

## 7. REGISTRAR AND TRANSFER AGENTS:

MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), Pune (SEBI Registration No. INR000004058) are acting as the Company's Registrar and Transfer Agents to handle requests for transmission, transposition, name deletion, issue of duplicate share certificates / letter of confirmation / letter of entitlement, dematerialisation and rematerialisation of equity shares. These activities are handled under the supervision of the Company Secretary who is also the Compliance Officer under the SEBI Listing Regulations, 2015.

The RTA of the Company has set up the standards for adhering to the statutory timelines for processing the various service request of the shareholders. On an on-going basis, the Company engages with officials of RTA at various levels for review of these standards. Periodic meetings and discussions are held to understand the concerns of shareholders, deviations, if any, in the timelines for processing service requests, best practices and other measures to strengthen shareholder-related services.

### SWAYAM Portal by MUFG Intime India Private Limited

SWAYAM is an Investor Self-Service Portal of RTA of the Company that empowers shareholders to effortlessly access information through a dashboard and avail various services in digital mode. Shareholders may register on the SWAYAM portal by accessing the below link <https://swayam.in.mpms.mufg.com/> Below are a few key features and benefits that 'SWAYAM' offers:

1. Have an updated status on electronic holdings
2. Track Corporate Actions like Dividend/Interest/Bonus/split.
3. Generate and track service requests/complaints raised on this portal bringing digital convenience.
4. Registration also open to security holders with holding in physical form, i.e., against folios which are KYC-compliant.

## 8. SHARE TRANSFER SYSTEM:

The Board has constituted a Shares Committee for expeditious processing of requests for transmission, transposition, name deletion, issue of duplicate share certificates / letter of confirmation / letter of entitlement, dematerialisation and rematerialisation of equity shares in compliance with the provisions of the Companies Act, 2013 and applicable SEBI Listing Regulations, 2015.

In terms of amended Regulation 40 of SEBI Listing Regulations, 2015, as amended from time to time, transfer, transmission and transposition of shares of a listed Company shall be effected only in dematerialised form.

Further, effective 24<sup>th</sup> January, 2022, SEBI vide its Circular No. SEBI/HO/MIRSD\_RTAMB/P/CIR/2022/8 has made it mandatory for listed companies to issue shares in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/ consolidation of securities, transmission/ transposition of shares. Vide its Circular dated 25<sup>th</sup> January, 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation / Letter of Entitlement in lieu of the share certificate while processing any of the aforesaid investor service request.

Further, SEBI vide Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, (including earlier circulars issued in this regard) ,inter-alia, mandated that any service request shall be entertained only upon registration of PAN, KYC details and nomination. Hence, all holders of physical securities of the Company are requested to update their KYC's in their respective folios.

#### Opening of Special Window for Re-lodgement of Transfer Deeds:

As mentioned above, transfer of securities in physical mode was discontinued effective 1<sup>st</sup> April, 2019, however, to facilitate ease of investing for investors and to secure their rights in the securities purchased, and pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2<sup>nd</sup> July 2025, the shareholders are hereby informed that a Special Window has been opened only for re-lodgement of transfer deeds which were lodged prior to the deadline of 1<sup>st</sup> April, 2019 and rejected / returned / not attended, due to deficiency in the documents / process or otherwise missed the extended timeline of 31<sup>st</sup> March, 2021. The re-lodgement window has been opened from 7<sup>th</sup> July, 2025 to 6<sup>th</sup> January, 2026. During this period, any securities re-lodged for transfer including those currently pending with the Company shall be processed and issued only in dematerialised form, subject to verification and approval of all documents by the Company's RTA.

Shareholders who have missed the earlier deadline of 31<sup>st</sup> March, 2021 are encouraged to take advantage of this opportunity by furnishing the necessary documents to the Company's RTA at their office at Akshay Complex, Block No. 202, 2<sup>nd</sup> Floor, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001, Maharashtra.

#### 9. DISTRIBUTION OF SHAREHOLDING:

(As on 31<sup>st</sup> March, 2025)

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 – 3000	62988	98.85	7811077	9.94
3001 – 5000	269	0.41	1104625	1.41
5001 & Above	477	0.74	69657183	88.65
	63734	100	78572885	100

#### 10. SHAREHOLDING PATTERN:

(As on 31<sup>st</sup> March, 2025)

Category	No. of shares held	% to total paid up share capital
Rathi Promoter Group*	1,87,74,473	23.89
Foreign Companies / NRI's / Foreign Individuals	396,227	0.5
FIs / FPIs / Financial Institutions / Banks / Insurance Companies / Mutual Funds	2,33,66,382	29.75
Corporate Bodies	6,194,847	7.88
Non Promoter Directors / Resident Individuals / Others	2,98,40,956	37.97
<b>Total</b>	<b>7,85,72,885</b>	<b>100</b>

\*Subsequent to the Financial Year ended 31<sup>st</sup> March, 2025, the approval of shareholders was sought by passing an Ordinary Resolution by way of Postal Ballot for Reclassification of shareholding of Anuj N. Rathi Group consisting of Anuj Narayandas Rathi, Narayandas Jagannath Rathi, Archana Anuj Rathi, Anuj Narayandas Rathi (HUF) and NJR Finance Private Limited from 'Promoter/ Promoter Group' category to 'Public' category, pursuant to Regulation 31A of SEBI Listing Regulations, 2015. Post Reclassification, total shareholding of Rathi Promoter Group has decreased from 1,87,74,473 shares (23.89%) to 1,28,89,203 shares (16.40%). The said resolution was deemed to have been passed on the last date specified for remote e-voting i.e., 24<sup>th</sup> May, 2025.

Further, the Company is in the process of seeking approval of shareholders through postal ballot for reclassification of shareholding of Pradeep R. Rathi Group (8.21%) consisting of Pradeep R. Rathi, Rahul P. Rathi and Subhadra P. Rathi from 'Promoter / Promoter Group' category to the 'Public' category. Shareholders are requested to refer to the Report on Corporate Governance for more information relating to the proposals received for reclassification of shareholding as per Regulation 31A of SEBI Listing Regulations, 2015.

#### 11. UNPAID / UNCLAIMED DIVIDEND:

In terms of the provisions of Section 124 of the Companies Act, 2013 the Company is required to transfer dividend which remain unpaid or unclaimed for period of seven consecutive years from the date of transfer to Unpaid Dividend Account to the credit

of the 'Investor Education and Protection Fund' ("Fund") established by the Central Government. Accordingly, the Company has transferred to the Fund the unclaimed dividend amount of Final Dividend relating to FY 2016-17 and Interim Dividend relating to FY 2017-2018 during the year and no claim shall lie against the Company or the Fund in respect of dividends remaining unclaimed or unpaid and transferred to the Fund. Final dividend which has remained Unpaid/unclaimed for the FY 2017-18 shall be due for transfer to the Fund in September 2025. Members are requested to verify their records and send their claim, if any, before such amount become due for transfer. Communications are sent to members, who have not yet claimed final dividend for FY 2017-18, requesting them to claim the same as well as unpaid dividend, if any, for subsequent years. Members are hereby informed that the seven consecutive years period for payment of the dividend pertaining to Financial Years as given below will expire on respective dates and thereafter the amount standing to the credit in the said account will be transferred to the Fund of the Central Government. Members are therefore requested to encash the dividend at the earliest. The Company has uploaded the details of unclaimed dividend on the Company's website at [www.sudarshan.com](http://www.sudarshan.com) under the tab 'Investors' and also on website specified by the Ministry of Corporate Affairs [www.iepf.gov.in/IEPF/service](http://www.iepf.gov.in/IEPF/service).

#### Dates of transfer of Unclaimed Dividend to the fund:

Sr. No.	Financial Year ended	Date of Declaration	Date of completion of seven years
1.	FY 2017-18 (Final Dividend)	9 <sup>th</sup> August, 2018	8 <sup>th</sup> September, 2025
2.	FY 2018-19 (Final Dividend)	7 <sup>th</sup> August, 2019	6 <sup>th</sup> September, 2026
3.	FY 2019-20 (Interim Dividend)	28 <sup>th</sup> February, 2020*	29 <sup>th</sup> March, 2027
4.	FY 2020-21 (Final Dividend)	6 <sup>th</sup> August, 2021	5 <sup>th</sup> September, 2028
5.	FY 2021-22 (Final Dividend)	9 <sup>th</sup> August, 2022	8 <sup>th</sup> September, 2029
6.	FY 2022-23 (Final Dividend)	11 <sup>th</sup> August, 2023	10 <sup>th</sup> September, 2030
7.	FY 2023-24 (Interim Dividend)	6 <sup>th</sup> March, 2024*	5 <sup>th</sup> April, 2031
8.	FY 2023-24 (Final Dividend)	2 <sup>nd</sup> August, 2024	1 <sup>st</sup> September, 2031
9.	FY 2024-25 (Final Dividend)	29 <sup>th</sup> September, 2025	28 <sup>th</sup> October, 2032

\* Declared by the Board of Directors

#### 12. DETAILS OF UNCLAIMED SHARES:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, 2015, details of equity shares in the suspense account are as follows:

Sr. No.	No. of shareholders	No. of shares outstanding
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	755	5,34,480
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	09	9,320
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	09	9,320
Number of shares transferred to Demat Suspense Account during 1 <sup>st</sup> April 2024, to 31 <sup>st</sup> March, 2025	0	0
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	746	5,25,160

#### 13. SUDARSHAN CHEMICAL INDUSTRIES LIMITED - SUSPENSE ESCROW DEMAT ACCOUNT:

Pursuant to SEBI Circular dated 25<sup>th</sup> 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 held by the Company. The shareholders can reclaim these shares from the Company's Suspense Escrow Demat Account on submission of documentation prescribed by SEBI. During the period under review, the Company did not receive any request for transfer of shares to Suspense Escrow Demat Account.

#### 14. TRANSFER OF EQUITY SHARES OF THE COMPANY TO INVESTOR EDUCATION AND PROTECTION FUND SUSPENSE ACCOUNT OF THE CENTRAL GOVERNMENT

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as notified by the Ministry of Corporate Affairs, where the dividend of any shareholder has remained unpaid or unclaimed for seven consecutive years, then in such event, the Equity Shares pertaining to the said shareholder(s) are required to be transferred to the Investor Education and Protection Fund ("IEPF") Suspense Account of the Central Government. Accordingly, the Company has transferred shares to the IEPF Suspense Account during the year under review.

The Company had informed the concerned shareholders to claim their unpaid dividends for the previous seven consecutive years, failing which their relevant Equity Shares would be transferred to IEPF Suspense Account of the Central Government. No claim shall lie against the Company in respect of unclaimed dividend amount/s once the Equity Shares are transferred to IEPF.

#### 15. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The Company's shares are presently traded on the BSE and NSE in dematerialised form. The International Securities Identification Number ("ISIN") allotted to the Company's Shares under the Depository System is INE659A01023. The Company's shares are actively traded on the Stock Exchanges. The Company's market capitalisation stood at approx. ₹70,020 Million as on 31<sup>st</sup> December, 2024. Promoters' shareholding is held in dematerialised form. As on 31<sup>st</sup> March, 2025, 98.93% of the total shareholding in the Company is held in dematerialised form which includes the Promoters' shareholding of 23.89%.

#### 16. DISPUTE RESOLUTION MECHANISM AT STOCK EXCHANGES ("SMART ODR"):

SEBI vide its Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31<sup>st</sup> July, 2023 which was further amended vide SEBI circular no. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/191 dated 20<sup>th</sup> December 20, 2023 provided an option for arbitration as a Dispute Resolution Mechanism for investors. Pursuant to above-mentioned circular. Members shall first take up their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the Member may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Post exhausting the option to resolve their grievances with the RTA / the Company directly and through existing SCORES platform, the shareholders can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>. Accordingly, the Company is also registered on Smart ODR portal for addressing the grievances of the shareholders.

#### 17. OUTSTANDING GDRs / ADRs / WARRANTS AND OTHER CONVERTIBLE INSTRUMENTS, CONVERSION DATES AND LIKELY IMPACT ON EQUITY:

During FY2024-25, the Fund Raising Committee of the Board of Directors of the Company at its meeting held on 31<sup>st</sup> October, 2024, approved raising of funds not exceeding ₹10,000 Lakhs by way of issuance of upto 9,80,000 warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company of face value of ₹2/- each ("Warrants") at a price of ₹1,019.75 each payable in cash ("Warrants Issue Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of eighteen months, to Mr. Rajesh Balkrishna Rathi, being a part of the promoter and promoter group of the Company, by way of a preferential issue through private placement offer. The same was subsequently approved by the Shareholders of the Company by way of resolution passed by Postal Ballot on 30<sup>th</sup> November, 2024.

Based on the approval of Shareholders, the Fund Raising Committee of the Board of Directors of the Company at its meeting held on 13<sup>th</sup> December, 2024, approved the allotment of 9,80,000 warrants to Mr. Rajesh Balkrishna Rathi, as per the details set forth below:

Name of Allottee	Category	Number of warrants allotted	Price at which the warrants are issued (in ₹) (per warrant)	Paid-up value per warrant on allotment (in ₹)* (at least 25% of the price at which the warrants are issued)	Consideration received as on the date of allotment (in ₹)*
Mr. Rajesh Balkrishna Rathi	Member of the Promoter and Promoter Group and Chairman and Managing Director**	9,80,000	1,019.75 (Including premium of ₹1,017.75 per Warrant)	254.94	24,98,41,200

\* The warrant holder would be required to make further payment of ₹764.81 for each Warrant, which is equivalent to 75% of the Warrants Issue Price at the time of exercise of the right attached to Warrants to subscribe to equity share(s). As on 31<sup>st</sup> March 2025, the said warrants had not been converted into equity shares.

\*\*Mr. Rajesh Balkrishna Rathi was appointed as a Chairman effective close of business hours on 29<sup>th</sup> May, 2025, in addition to his current role as a Managing Director.

## 18. POSTAL BALLOT AND E-VOTING:

The details of Postal Ballot and e-voting are mentioned in the Report on Corporate Governance.

## 19. CREDIT RATING:

During the year under review, in July 2024, India Ratings and Research Private Limited ("Ind-Ra"), a Fitch Group Company has upgraded Company's Long-Term Issuer Rating for NCDs and Other Debts at 'IND AA/ Stable and has also affirmed Short-Term Rating at IND A1+. Further, Ind-Ra, vide its release dated 22<sup>nd</sup> October, 2024, placed Company's Long-Term & NCDs rating at IND AA/Stable/Rating Watch with Developing Implications and Short-Term Rating at IND A1+/Rating Watch with developing implications.

During the year under review, CRISIL Ratings Limited (An S&P Global Company) (CRISIL) vide their release dated 22<sup>nd</sup> October, 2024 placed Company's Commercial Paper Programme Rating for ₹50 Crores on 'CRISIL A1+ / Rating Watch with developing implications' which was continued in their release dated 22<sup>nd</sup> January, 2025.

Further, subsequent to FY2024-25, CRISIL vide its release dated 20<sup>th</sup> April, 2025, has removed its earlier rating of 'Rating Watch with Developing Implications' and has reaffirmed its rating as 'Crisil A1+' on Company's ₹50 Crore Commercial Paper.

## 20. PLANT LOCATIONS:

Location	Address
Roha	46 MIDC Estate, Dhatav, Roha 402 116, Dist. Raigad
Mahad	Plot No. A-19/1+2 & 19 (1) Part, MIDC Estate, Mahad 402 301, Dist. Raigad
Ambadvet (Sutarwadi)	R & D Laboratory, Ambadvet (Sutarwadi), Dist. Pune

## 21. ADDRESS FOR CORRESPONDENCE:

### 1) Mr. Mandar Velankar

Company Secretary and Compliance Officer Sudarshan Chemical Industries Limited,  
7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25 Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India  
Tel No. 020- 68281200  
Email: shares@sudarshan.com

### 2) Registrar and Transfer Agents (RTA)

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited),  
"Akshay Complex" Block No. 202, 2<sup>nd</sup> Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune- 411 001, Maharashtra, India  
Tel. No. 020 - 2616 0084, 020 - 2616 1629  
Telefax 020-2616 3503  
E-mail pune@in.mpms.mufg.com  
Website: <https://in.mpms.mufg.com>  
Link to raise queries / service requests: [https://web.in.mpms.mufg.com/helpdesk/Service\\_Request.html](https://web.in.mpms.mufg.com/helpdesk/Service_Request.html)  
Time:- 10.00 to 16.00 hours (Monday to Friday excluding public holidays)

# INDEPENDENT AUDITOR'S REPORT

To the Members of Sudarshan Chemical Industries Limited

## Report on the audit of the standalone Ind AS financial statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of Sudarshan Chemical Industries Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

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

### Basis for Opinion

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

the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
<p><b>Timing of recognition of revenue (as described in note 2.3(d) (Summary of material accounting policies) and note 26 forming part of the standalone Ind AS financial statements)</b></p> <p>The Company manufactures and sells a wide range of goods such as organic, inorganic and effect pigments. Revenue from sale of goods is recognised net of discounts, rebates, sales return and taxes when control of the goods are transferred to the customer in accordance with the recognition and measurement principles of Ind AS 115.</p> <p>Determination of point in time when control of the goods is transferred to the customer involves establishing the present right to receive payment for the products, delivery specifications, shipping terms, timing of transfer of legal title of the goods and determination of the point of acceptance of goods by the customers. These considerations require exercise of significant judgements by the management.</p> <p>Considering the multitude and variety of contractual terms and significant judgments involved, determination of point in time of transfer of control of goods has been identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>We obtained understanding of the Company's sales process, including design and implementation of controls and tested the design and operating effectiveness of these controls.</p> <p>We read the Company's accounting policies pertaining to revenue recognition and assessed compliance with Ind AS 115 - Revenue from Contracts with Customers.</p> <p>We obtained and read the terms of customer contracts on a sample basis to assess various performance obligations in the contract, the point in time of transfer of control of goods to customers and pricing terms.</p> <p>We tested on a sample basis sales invoice for identification of point in time for transfer of control and terms of contract with customers. Further, we performed procedures to test on a sample basis whether revenue was recognized in the appropriate period (including at year end) by testing underlying sales orders, sales invoice copies, lorry receipts, shipping records, customer acceptances etc. and tested the management assessment involved in the process, wherever applicable.</p> <p>We performed various analytical procedures to identify any unusual sales trends for further testing.</p> <p>We also assessed the disclosure relating to revenue in accordance with applicable accounting standards in the standalone Ind AS financial statements of the Company.</p>
<p><b>Hedge accounting including valuations thereof (as described in note 2.3(s) (Summary of material accounting policies) and note 15, note 17, note 22 and note 51 of notes forming part of the standalone Ind AS financial statements)</b></p> <p>The Company enters into derivative instruments which comprise of interest rate swaps, cross currency swaps and also designates its foreign currency borrowings against highly probable forecasted export sales for hedge accounting to manage its foreign currency exposure.</p> <p>These instruments are measured at fair values at each reporting period resulting in derivative financial assets and derivative financial liabilities. The gain / loss on maturity/ termination of such derivative instruments is recorded in the statement of profit and loss along with the relevant hedged item.</p>	<p>Our audit procedures included the following:</p> <p>We obtained understanding of the Company's overall hedge accounting strategy, derivative instrument valuation and hedge accounting process from initiation to settlement of derivative instruments including assessment of the design and implementation of controls and tested the design and operating effectiveness of these controls.</p> <p>We read the Company's accounting policy for hedge accounting in accordance with relevant accounting standards.</p> <p>We tested the existence of derivative instruments by tracing to the independent confirmations obtained from respective banks.</p> <p>We tested management's hedge documentation and contracts, on a sample basis.</p>

Key audit matters	How our audit addressed the key audit matter
<p>Considering the significant complexities and judgements involved in estimating highly probable forecasted sales transactions, future foreign exchange rates, determination of effectiveness of hedge and the fact that these transactions have a significant financial effect and extensive accounting and disclosure requirements, hedge accounting has been identified as a key audit matter.</p>	<p>We tested on a sample basis the fair values of derivative instruments recorded by the Company with the independent balance confirmations obtained from banks.</p> <p>We involved valuation specialists in re-performing the year-end fair valuations including evaluation of hedge effectiveness of derivative instruments on a sample basis and compared these valuations with those recorded by the Company and assessed the valuation methodology and key assumptions used therein.</p> <p>We assessed the disclosure is in accordance with applicable accounting standards in the standalone Ind AS financial statements of the Company.</p>
<p><b>Impairment assessment of material investments in subsidiaries (as described in note 2.3(b) (Summary of material accounting policies) and note 6 of notes forming part of the standalone Ind AS financial statements)</b></p>	
<p>The Company has significant investments in subsidiaries as at March 31, 2025. These investments are accounted for at cost less allowance for impairment, if any. The management assesses at least annually the existence of impairment indicators of each shareholding in such subsidiaries by reference to the requirements under Ind AS 36. If such indicator exists, impairment loss is determined and recognized in the standalone Ind AS financial statements in accordance with the accounting policies.</p> <p>During the year impairment indicators were identified for certain material investments. The processes and methodologies for assessing and determining the recoverable amount of such investments are based on complex assumptions and require use of significant management's judgment, in particular with reference to forecast of future cash flows relating to the period covered by the Company's strategic business plan, normalized cash flows assumed as a basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.</p> <p>Considering the significant level of judgment required in estimating the cash flows and the complexity of the assumptions used, this matter has been identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>We obtained an understanding of the Company's policy on assessment of impairment of investment in subsidiaries and assumptions used by the management including design and implementation of relevant controls. We have tested the design and operating effectiveness of these controls.</p> <p>We compared the carrying values of the Company's investment in these subsidiaries with their respective net worth as per audited financial statements.</p> <p>We have evaluated the valuation model used by the Company's management / valuation experts of the management. We assessed the competencies, capabilities and objectivity of the management's expert.</p> <p>We involved valuation specialists to evaluate methodology, assumptions and estimates used in the calculations. We considered potential changes in key drivers as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were appropriate. We also assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used.</p> <p>We assessed the recoverable value by performing sensitivity testing of key assumptions used, analysed and examined the business plans approved along with assumptions and estimates used by management and tested the arithmetical accuracy of these models.</p> <p>We assessed the disclosure is in accordance with applicable accounting standards in the standalone Ind AS financial statements of the Company.</p>

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

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

### Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2025 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph i (vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i (vi)) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this Report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer note 45(b) to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 15 and note 22 to the standalone Ind AS financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46(e) to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"),

- with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46(e) to the standalone Ind AS financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- As stated in note 18 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for changes, if any, made using certain administrative access rights to the application and underlying database as described in note 58 to the standalone Ind AS financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of such accounting software where the audit trail has been enabled. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Huzefa Ginwala**

Partner

Membership Number: 111757

UDIN: 25111757BMIWIJ2579

Place of Signature: Pune

Date: July 25, 2025

**Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date**

**Re: Sudarshan Chemical Industries Limited (‘the Company’)**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, plant and equipment were physically verified by the management in the current year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.
- (c) 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) are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2025.
- (iii) (a) During the year, the Company has provided loans, advances in the nature of loans and stood guarantee to the following companies:

(Amount in ₹ lakhs)

Particulars	Guarantees	Security	Loans*	Advances in nature of loans
Aggregate amount granted / provided during the year				
- Subsidiaries	1,98,644.2	-	78,652.9	-
Balance outstanding as at balance sheet date in respect of above cases	1,98,644.2	-	78,652.9	-
- Subsidiaries				

\*includes ₹73,959.3 lakhs pertaining to investment in non-convertible redeemable preference shares of subsidiary

The Company has not provided loans, advances in the nature of loans, stood guarantees and provided security to Limited Liability Partnerships or any other parties.

- (b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to companies, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, Limited Liability Partnerships or any other parties which are overdue for more than ninety days.

- (e) There were no loans or advances in the nature of loans granted to Companies, firms, Limited Liability Partnerships, or any other parties which was fallen due during the year, that 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 to companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Act are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits during the year. However, in regard to the unclaimed deposits the Company has complied with the provisions of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. We are informed by the management that no order has been
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, service tax, duty of excise, cess and other statutory dues have not been deposited on account of any dispute, are as follows:

(Amount in ₹ lakhs)

Name of the statute	Forum where dispute is pending	Nature of dues	Period to which the amount relates	Amount under dispute	Pre deposit or payment under protest
Central Excise Act, 1944	Additional Commissioner Central Excise	Excise duty	FY 2002-2003 to FY 2005-2006	39.5	10.9
Central Excise Act, 1944	CESTAT	CVD Refund	FY 2013-2014 to FY 2017-2018	30.6	30.6
Central Excise Act, 1944	CESTAT	CVD Refund	FY 2013-2014	19.7	19.7
Central Excise Act, 1944	CESTAT***	CVD Refund	FY 2013-2014 to FY 2017-2018	135.7	-
Name of the statute	Forum where dispute is pending	Nature of dues	Period to which the amount relates	Amount under dispute	Pre deposit or payment under protest
Central Excise Act, 1944	Commissioner of Central Excise <sup>†</sup>	CENVAT Credit	FY 2004-2005 to FY 2013-2014	255.1	32.3
Goods and Service Tax, 2017	Joint Commissioner of State Tax (Appeals)	Goods and Services Tax	FY 2017-2018	817.5	36.7
Goods and Service Tax, 2017	Joint Commissioner of State Tax (Appeals)	Goods and Services Tax	FY 2018-2019	1,457.9	67.4
Goods and Service Tax, 2017	Joint Commissioner of State Tax (Appeals)	Goods and Services Tax	FY 2019-2020	4,174.5	203.7
Goods and Service Tax, 2017	Joint Commissioner of State Tax (Appeals)	Goods and Services Tax	FY 2020-2021	4,032.6	206.4
Goods and Service Tax, 2017	Additional Commissioner of state tax (Appeals)	Goods and Services Tax	FY 2017-2018	323.0	13.6

Name of the statute	Forum where dispute is pending	Nature of dues	Period to which the amount relates	Amount under dispute	Pre deposit or payment under protest
Goods and Service Tax, 2017	CESTAT*	CENVAT Credit	FY 2015-2016 to 2016-2017	26.2	2.6
Goods and Service Tax, 2017	Commissioner (Appeals)*	Goods and Services Tax	FY 2017-2018	80.5	73.2
Income Tax Act, 1961	Bombay High Court	Income Tax	AY 1992-1993 to AY 1995-1996	55.0	55.0
Income Tax Act, 1961	Commissioner of Income Tax (Appeals)	Income Tax	AY 2017-2018 AY 2018-2019 AY 2020-2021 AY 2021-2022	449.2	365.6
Income Tax Act, 1961	Bombay High Court##	Income Tax	AY 2013-14	222.6	222.6
Bombay Electricity Duty Act, 1958	Bombay High Court	Electricity Duty Generation	FY 2016-2017 to FY 2024-2025	3,235.6	-
Customs Act, 1962	CESTAT	Interest on IGST	FY 2017-2018 FY 2018-2019	74.8	74.8
Customs Act, 1962	CESTAT**	Custom Duty	FY 2011-2012 FY 2012-2013	330.5	12.1

\*The Company has filed an application under GST Amnesty Scheme 2024 under section 128A for these cases against order these mentioned appropriate authority.

\*\* Excludes interest

\*\*\*The Company has received a favorable order from the Commissioner of Central Excise. However, the Department has preferred an appeal against the order of the Commissioner before CESTAT.

#The CESTAT has passed the order for this case and set aside the impugned order and remand back case for fresh assessment.

##The Company has received a favorable order from the Income Tax Appellate Tribunal (ITAT). However, the Department has preferred an appeal against the order before Bombay High Court, which is at pre-admission stage.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment and private placement of shares respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.
- (xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost

auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 47 to the standalone Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 37 to the standalone Ind AS financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 37 to the standalone Ind AS financial statements.
- (xxi) The requirement of Clause 3(xxi) of the Order is not applicable to the standalone financial statements. As regards, remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements, refer the Independent Auditor's Report on consolidated Ind AS financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Huzefa Ginwala**

Partner

Membership Number: 111757

UDIN: 25111757BMIWIJ2579

Place of Signature: Pune

Date: July 25, 2025

**Annexure 2** referred in paragraph 2(g) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

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

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Sudarshan Chemical Industries Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements 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 issued by the ICAI.

For **S R B C & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Huzefa Ginwala**  
Partner  
Membership Number: 111757  
UDIN: 25111757BMIWIJ2579

Place of Signature: Pune  
Date: July 25, 2025

## Standalone Balance Sheet as at 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>ASSETS</b>			
<b>I. Non-current assets</b>			
(a) Property, plant and equipment	3	96,482.2	1,02,113.4
(b) Capital work-in-progress	3	4,547.5	1,452.8
(c) Intangible assets	4	2,031.3	2,754.9
(d) Right-of-use assets	5	3,412.0	2,047.5
(e) Financial assets			
i Investments in subsidiaries	6	4,806.7	4,870.8
ii Other investments	7	74,241.2	244.1
iii Derivative instruments	15	10.8	127.6
iv Other financial assets	8	800.1	526.5
(f) Income tax assets (net)	25	949.2	1,111.4
(g) Other non-current assets	9	1,216.6	768.2
		<b>1,88,497.6</b>	<b>1,16,017.2</b>
<b>II. Current assets</b>			
(a) Inventories	10	35,081.3	31,343.4
(b) Financial assets			
i Investments	7	25,729.0	-
ii Loans	14	4,630.4	151.4
iii Trade receivables	11	67,902.0	52,483.6
iv Cash and cash equivalents	12	1,869.0	3,536.9
v Bank balances other than (iv) above	13	767.1	701.3
vi Derivative instruments	15	1,074.1	703.5
vii Other financial assets	8	6,265.8	1,116.5
(c) Other current assets	9	5,294.5	3,383.6
		<b>1,48,613.2</b>	<b>93,420.2</b>
<b>Total assets</b>		<b>3,37,110.8</b>	<b>2,09,437.4</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A Equity</b>			
(a) Equity share capital	16	1,571.5	1,384.5
(b) Other equity	17	2,24,321.2	1,09,264.3
<b>Total equity</b>		<b>2,25,892.7</b>	<b>1,10,648.8</b>
<b>B Liabilities</b>			
<b>I. Non-current liabilities</b>			
(a) Financial liabilities			
i Borrowings	19	2,412.5	19,331.5
ii Lease liabilities	5	3,111.4	1,705.3
iii Other financial liabilities	21	339.3	161.3
(b) Provisions	23	3,597.3	2,985.5
(c) Deferred tax liabilities (net)	25	7,230.8	7,514.5
(d) Other non-current liabilities	24	107.1	302.8
		<b>16,798.4</b>	<b>32,000.9</b>
<b>II. Current liabilities</b>			
(a) Financial liabilities			
i Borrowings	19	37,716.5	16,532.7
ii Lease liabilities	5	300.6	218.7
iii Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	2,196.5	2,954.2
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	47,040.2	41,055.0
iv Derivative instruments	22	353.8	82.0
v Other financial liabilities	21	4,838.2	4,568.2
(b) Provisions	23	369.1	293.9
(c) Other current liabilities	24	1,598.1	1,033.2
(d) Current tax liabilities (net)	25	6.7	49.8
		<b>94,419.7</b>	<b>66,787.7</b>
<b>Total liabilities</b>		<b>1,11,218.1</b>	<b>98,788.6</b>
<b>Total equity and liabilities</b>		<b>3,37,110.8</b>	<b>2,09,437.4</b>
Summary of material accounting policies	2		

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**For S R B C & COLLP**

Chartered Accountants  
 ICAI Firm Registration Number:  
 324982E/E300003

**S. P. Navandar**

Independent Director &  
 Audit Committee Chairperson  
 DIN No. 02804964

**R.B. Rathi**

Chairman &  
 Managing Director  
 DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
 ICAI Membership  
 No.:108532

**per Huzefa Ginwala**

Partner  
 Membership No.:111757

**Mandar Velankar**

Company Secretary  
 ICSI Membership No.:14469

Place: Pune  
 Date : 25<sup>th</sup> July, 2025

Place: Pune  
 Date : 25<sup>th</sup> July, 2025

## Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>I. Income</b>			
(a) Revenue from operations	26	2,53,394.5	2,14,142.9
(b) Other income	27	3,045.6	1,739.4
<b>Total income</b>		<b>2,56,440.1</b>	<b>2,15,882.3</b>
<b>II. Expenses</b>			
(a) Cost of materials consumed	28	1,43,914.5	1,20,085.1
(b) Changes in inventories of finished goods and work-in-progress	29	(2,390.3)	3,408.4
(c) Employee benefits expense	30	16,871.0	14,747.0
(d) Finance costs	31	2,829.6	2,870.7
(e) Depreciation and amortisation expense	32	14,069.8	13,689.3
(f) Other expenses	33	59,910.5	48,391.3
<b>Total expenses</b>		<b>2,35,205.1</b>	<b>2,03,191.8</b>
<b>III. Profit before exceptional items and tax (I - II)</b>		<b>21,235.0</b>	<b>12,690.5</b>
<b>IV. Exceptional items (expense) / income</b>	52	<b>(1,821.4)</b>	<b>31,166.0</b>
<b>V. Profit before tax (III-IV)</b>		<b>19,413.6</b>	<b>43,856.5</b>
<b>VI. Tax expense</b>	25		
(a) Current tax		5,125.7	8,859.9
(b) Adjustment of tax related to earlier periods (net)		225.3	-
(c) Deferred tax (credit) / expense		(34.8)	1,484.2
<b>Total tax expense</b>		<b>5,316.2</b>	<b>10,344.1</b>
<b>VII. Profit for the year ( V - VI)</b>		<b>14,097.4</b>	<b>33,512.4</b>
<b>VIII. Other comprehensive income (OCI)</b>	39		
<b>(a) Items that will not be reclassified to profit or loss</b>			
Re-measurement gains / (losses) on defined benefit plans		(356.0)	(188.0)
Income tax effect		82.8	47.3
		<b>(273.2)</b>	<b>(140.7)</b>
<b>(b) Items that will be reclassified to profit or loss</b>			
Net movement on effective portion of cash flow hedges		1,240.2	20.0
Income tax effect		166.1	(149.2)
		<b>1,406.3</b>	<b>(129.2)</b>
<b>Other comprehensive income/(loss) for the year (net of taxes)</b>		<b>1,133.1</b>	<b>(269.9)</b>
<b>IX. Total comprehensive income for the year (net of taxes)</b>		<b>15,230.5</b>	<b>33,242.5</b>
<b>X. Earnings per share</b>	38		
<b>[Nominal value per share ₹2 (31<sup>st</sup> March 2024 - ₹2)]</b>			
Basic (in ₹)		19.9	48.4
Diluted (in ₹)		19.9	48.3
Summary of material accounting policies	2		

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**For S R B C & COLL P**

Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**S. P. Navandar**

Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R.B. Rathi**

Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
ICAI Membership  
No.:108532

**per Huzefa Ginwala**

Partner  
Membership No.:111757

**Mandar Velankar**

Company Secretary  
ICSI Membership No.:14469

Place: Pune

Date : 25<sup>th</sup> July, 2025

Place: Pune

Date : 25<sup>th</sup> July, 2025

## Standalone Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Cash flow from operating activities</b>		
Profit before exceptional items and tax	21,235.0	12,690.5
Exceptional items (expense) / income (refer note 52)	(1,821.4)	31,166.0
<b>Adjustments to reconcile profit before tax to net cash flow</b>		
Depreciation and amortisation expense	14,069.8	13,689.3
(Gain) on sale / disposal of property plant and equipment - Exceptional items (refer note 52)	-	(31,510.1)
Loss / (gain) on sale / disposal of property plant and equipment	(87.1)	(10.0)
Loss / (gain) on sale of investment in subsidiary - Exceptional items (refer note 52)	-	344.1
Net gain on fair valuation on financial instruments	(38.8)	(38.8)
Liabilities no longer required, written back	(75.2)	(75.4)
Share based payment expenses	-	126.1
Unrealised foreign exchange loss / (gain)	(1,234.8)	(23.7)
Net gain on sale of financial instruments	(1,075.0)	(833.5)
(Reversal) / provision for net realisable value adjustment	55.9	33.7
Fair value (gain) / loss on derivatives	(642.0)	114.4
Income on financial guarantees	(262.9)	(88.4)
Impairment losses on financial instruments	417.6	(54.1)
Finance costs	2,829.6	2,870.7
Interest income	(683.4)	(401.3)
<b>Operating profit before working capital changes</b>	<b>32,687.3</b>	<b>27,999.5</b>
<b>Working capital adjustments :</b>		
Increase / (decrease) in trade payables	5,377.8	1,193.5
Increase / (decrease) in provisions	331.0	272.1
Increase / (decrease) in other liabilities	9.4	(531.8)
Increase / (decrease) in other financial liabilities	669.6	617.4
(Increase) / decrease in trade receivables	(16,134.7)	(10,120.0)
(Increase) / decrease in inventories	(3,793.8)	6,061.2
(Increase) / decrease in other assets	(2,249.8)	1,309.2
(Increase) / decrease in other financial assets	(5,036.1)	(145.0)
(Increase) / decrease in other bank balances	(65.8)	(208.2)
<b>Cash generated from operations</b>	<b>11,794.9</b>	<b>26,447.9</b>
Income taxes paid (net of refunds) including tax related to exceptional items	(5,231.9)	(7,559.6)
<b>Net cash generated from operating activities (A)*</b>	<b>6,563.0</b>	<b>18,888.3</b>
<b>Cash flows from investing activities :</b>		
Purchases of property, plant and equipment, intangible assets (including net movement in capital work in progress, capital advances and payable for capital goods)	(10,590.4)	(7,114.0)
Proceeds from sale of property, plant and equipment and intangible assets and assets held for sale, net of incidental expenses (Previous year included proceeds received from exceptional item)	92.2	34,582.2
Investments in financial instruments (mutual funds)	(1,51,941.4)	(26,500.0)
Proceeds from sale of financial instruments (mutual funds)	1,27,248.6	27,333.5
Proceeds from sale of investment in subsidiary	101.3	133.5
Amount paid towards share application	(176.8)	-
Investment in non-convertible redeemable preference shares of subsidiary	(72,744.7)	-
Proceeds from loans given to subsidiaries	150.0	500.0
Loans given to subsidiaries	(4,360.4)	(500.0)
Interest received	946.3	489.7
<b>Net cash flow (used In) / generated from investing activities (B)</b>	<b>(1,11,275.3)</b>	<b>28,924.9</b>

## Standalone Statement of Cash Flows (contd.) for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Cash flows from financing activities :</b>		
Repayment of long-term borrowings	(13,522.6)	(26,483.7)
Dividend paid on equity shares and tax thereon	(919.5)	(3,329.1)
Proceeds from issue of shares (including securities premium)	99,500.0	-
Transaction costs on issue of equity shares	(1,292.7)	-
Proceeds from issue of share warrants	2,498.4	-
Net proceeds / (repayments) of short-term borrowings	19,814.1	(11,998.4)
Finance costs paid	(2,651.4)	(2,747.5)
Payment of principal portion of lease liabilities	(381.9)	(296.1)
<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>1,03,044.4</b>	<b>(44,854.8)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>	<b>(1,667.9)</b>	<b>2,958.4</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,536.9</b>	<b>578.5</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,869.0</b>	<b>3,536.9</b>
<b>Cash and cash equivalents (refer note 12)</b>		
Cash on hand	10.5	9.2
Balance with banks (In current account)	1,858.5	3,527.7
<b>Total</b>	<b>1,869.0</b>	<b>3,536.9</b>

\* Includes amount spent in cash towards Corporate Social Responsibilities ₹ 204.6 lakhs (Previous year ₹ 239.8 lakhs)

**Notes :** The above Statement of Cash Flows has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**For S R B C & COLLP**

Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**S. P. Navandar**

Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R.B. Rathi**

Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
ICAI Membership  
No.:108532

**per Huzefa Ginwala**

Partner  
Membership No.:111757

**Mandar Velankar**

Company Secretary  
ICSI Membership No.:14469

Place: Pune

Date : 25<sup>th</sup> July, 2025

Place: Pune

Date : 25<sup>th</sup> July, 2025

## Standalone Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### A. Equity Share Capital

Equity shares of ₹2 each issued, subscribed and fully paid

Particulars	As at 31 <sup>st</sup> March, 2025					As at 31 <sup>st</sup> March, 2024				
	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year (refer note 16 (h) and (i))	Balance at the end of the reporting period	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Share capital amount (in ₹ Lakhs)	1,384.5	-	-	187.0	1,571.5	1,384.5	-	-	-	1,384.5
Number of shares	6,92,27,250	-	-	93,45,635	7,85,72,885	6,92,27,250	-	-	-	6,92,27,250

### B. Other Equity

Particulars	Reserves and Surplus				Items of OCI		Money received against share warrants	Total other equity
	Securities premium	Capital reserve	General reserve	Retained earnings*	Share options (ESOP) outstanding reserve	Effective portion of cash flow hedge		
<b>Balance as at 1<sup>st</sup> April, 2023</b>	<b>1,321.2</b>	<b>0.4</b>	<b>21,340.5</b>	<b>58,836.7</b>	<b>337.2</b>	<b>(2,409.7)</b>	-	<b>79,426.3</b>
Profit for the year	-	-	-	33,512.4	-	-	-	33,512.4
Other comprehensive income / (loss) (net of tax) (refer note 39)	-	-	-	(140.7)	-	(129.2)	-	(269.9)
Amortized amount of share based payments (ESOPs) to employees (refer note 50)	-	-	-	-	126.1	-	-	126.1
<b>Total comprehensive income for the year ended 31<sup>st</sup> March 2024</b>	-	-	-	<b>33,371.7</b>	<b>126.1</b>	<b>(129.2)</b>	-	<b>33,368.6</b>
<b>Transactions with equity holders, recorded directly in equity</b>								
Equity dividend (refer note 18)	-	-	-	(1,038.4)	-	-	-	(1,038.4)
Interim equity dividend (refer note 18)	-	-	-	(2,492.2)	-	-	-	(2,492.2)
<b>Total distributions to equity holders</b>	-	-	-	<b>(3,530.6)</b>	-	-	-	<b>(3,530.6)</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1,321.2</b>	<b>0.4</b>	<b>21,340.5</b>	<b>88,677.8</b>	<b>463.3</b>	<b>(2,538.9)</b>	-	<b>1,09,264.3</b>

## Standalone Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus				Items of OCI		Money received against share warrants	Total other equity
	Securities premium	Capital reserve	General reserve	Retained earnings*	Share options (ESOP) outstanding reserve	Effective portion of cash flow hedge		
Profit for the Year	-	-	-	14,097.4	-	-	-	14,097.4
Other comprehensive income / (loss) (net of tax) (refer note 39)	-	-	-	(273.2)	-	1,406.3	-	1,133.1
Amortized amount of share based payments (ESOPs) to employees (refer note 50)	-	-	-	215.4	(215.4)	-	-	-
<b>Total comprehensive income for the year ended 31<sup>st</sup> March 2025</b>	-	-	-	<b>14,039.6</b>	<b>(215.4)</b>	<b>1,406.3</b>	-	<b>15,230.5</b>
<b>Transactions with equity holders, recorded directly in equity</b>								
Equity dividend (refer note 18)	-	-	-	(692.3)	-	-	-	(692.3)
Share warrants issued (refer note 17(f))	-	-	-	-	-	-	2,498.4	2,498.4
Transaction costs on issue of equity shares (refer note 16(h) and (i))	(1,292.7)	-	-	-	-	-	-	(1,292.7)
Premium on equity shares issued through qualified institutional placement (refer note 16(h))	79,850.5	-	-	-	-	-	-	79,850.5
Premium on equity shares issued through preferential issue (refer Note 16(i))	19,462.5	-	-	-	-	-	-	19,462.5
<b>Total distributions to equity holders</b>	<b>98,020.3</b>	-	-	<b>(692.3)</b>	-	-	<b>2,498.4</b>	<b>99,826.4</b>
<b>Balance as at 31<sup>st</sup> March, 2025</b>	<b>99,341.5</b>	<b>0.4</b>	<b>21,340.5</b>	<b>1,02,025.1</b>	<b>247.9</b>	<b>(1,132.6)</b>	<b>2,498.4</b>	<b>2,24,321.2</b>

\* includes re-measurement of defined employee benefit plans

There are no prior period errors during the current year and previous year.

The accompanying notes form an integral part of the Financial Statements. As per our report of even date attached

**For S R B C & CO LLP**

Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**per Huzefa Ginwala**

Partner  
Membership No.:111757

Place: Pune

Date : 25<sup>th</sup> July, 2025

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**S. P. Navandar**

Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R. B. Rathi**

Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
ICAI Membership  
No.:108532

**Mandar Velankar**

Company Secretary  
ICSI Membership No.:14469

Place: Pune

Date : 25<sup>th</sup> July, 2025

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 1. Corporate Information:

Sudarshan Chemical Industries Limited (“the Company”) is a Public Limited Company domiciled in India. The Company was incorporated as a Private Limited Company on 19<sup>th</sup> February 1951. The name of the Company was changed to Sudarshan Chemical Industries Limited on 15<sup>th</sup> May, 1975. Equity shares of the Company were listed on the Bombay Stock Exchange (‘BSE’) and National Stock Exchange (‘NSE’) since February 02, 1977 and May 25, 1995 respectively.

The CIN number of the Company is L24119PN1951PLC008409. The Company’s Equity Shares are listed on the BSE and NSE. The registered office of the Company is located at 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India.

The Company manufactures and sells a wide range of Organic, Inorganic, and Effect Pigments.

The Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March 2025 were approved for issue in accordance with a resolution of the Board of Directors on 25<sup>th</sup> May, 2025.

### 2. Material Accounting Policies:

#### 1.1 Statement of Compliance

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III (as amended from time to time) to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statement of the Company.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as “Standalone Financial Statements” or “financial statements”). These financial statements are approved for issue by the Board of Directors on 25<sup>th</sup> May 2025.

#### 1.2 Basis of preparation and presentation:

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian

Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement of the company.

These Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans – plan assets measured at fair value. Refer Note 40.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The Standalone Financial Statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

#### 1.3 Summary of material accounting policies:

##### (a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### (b) Investment in subsidiaries:

A subsidiary is an entity that is controlled by another entity. Investment in subsidiaries are carried at cost less impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts is recognized in the Statement of Profit and Loss.

### (c) Foreign currency translation:

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR). The Company's financial statements are presented in INR.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency's closing rate of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using

the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense, or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

### (d) Revenue:

#### (i) Revenue from contracts with customers:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to the customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government).

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 7-120 days from the shipment or delivery of goods or services as the case may be.

The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised goods or services will be transferred to the customer within a period of one year.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.3 (aa).

The Company has following streams of revenue:

### (1) Revenue from sale of goods:

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, inco-terms the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effect of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.

### Contract balances

- (1) Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 2.3 (r) Financial instruments.
- (2) Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration in form of advance (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs the obligation as per the contract.
- (3) Refund liabilities: A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

### (ii) Export incentive (government grant):

Income from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

### (iii) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (iv) Dividend income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### (v) Other income:

Insurance claims are accounted on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims. Other revenue is recognised when it is received or when the right to receive payment is established.

### (e) Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and is allocated to the Statement of Profit and Loss over the periods and in the proportions in which depreciation on those assets is charged.

### (f) Taxes:

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (i) Current tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the balance sheet date. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

### (ii) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred Tax Assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the

reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### (iii) Indirect taxes paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of indirect taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### (g) Non-current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal and are presented separately in the Balance Sheet.

### (h) Property, plant and equipment and Capital-work-in-progress:

#### (i) Recognition and measurement:

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any, and also to the costs incurred subsequently to add to, or to replace any part of, or service it.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Freehold land is carried at historical cost less impairment losses, if any. Cost comprises of the purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, if any, and directly attributable cost of bringing the item to its working condition for its intended use and estimated present value of costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Cost also includes cost of replacement of part of plant and equipment if the recognition criteria are met. If significant parts

#### (ii) Depreciation:

- (1) Depreciation on items of property, plant and equipment (except freehold land) is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013, except in respect of the following assets where, useful life of assets have been determined based on technical evaluation done by the management's expert:

(in years)

Asset Class	Useful Life Adopted	Useful Life as per Schedule - II*
Plant and Machinery - Other than below	5.0 / 9.2 / 10.0	7.5
Plant and Machinery - SS Vessels / SS Equipments	15.0	7.5
Plant and Machinery - Other than SS Components	7.7	7.5
Furniture and Fixtures	9.0 / 10.0	10.0
Vehicles	5.0 / 6.0	8.0

\*The above-mentioned useful lives are on a three-shift basis, except for vehicles, and furniture and fixtures.

of plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment. The Company depreciates them separately based on their specific useful lives.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Machinery spares which meet the definition of PPE are capitalised and depreciated over the useful life of the principal asset.

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 derecognition 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.

Cost of assets not ready for intended use, as at the reporting date, are classified as capital work-in-progress. Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- (2) The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (3) The Company reviews the residual value, useful lives and depreciation method annually and if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### (i) Intangible assets:

#### (i) Recognition and measurement:

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

Research costs are recognised as an expense in the Statement of Profit and Loss in the period they are incurred.

Internally generated intangible assets arising from development activity are recognised at cost when the project is clearly defined and the costs are separately identified and reliably measured, on demonstration of technical feasibility of the project, the intention and ability of the Company to complete, use or sell it is demonstrated, adequate resources are available to complete the project and only if it is probable that the asset would generate future economic benefits. Such costs are capitalised as 'Technical know-how'. Otherwise it is recognised as an expense in the Statement of Profit and Loss in the period they are incurred. Subsequent to initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition

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.

#### (ii) Amortisation:

- (1) The useful lives of intangible assets are assessed as either finite or indefinite.
- (2) Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.
- (3) Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

#### (iii) Research and development costs

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred. Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

A summary of the amortisation / depletion policies applied to the Company's other intangible assets to the extent of depreciable amount is as follows:

Asset Class	Years
Registrations	10
Computer Software	5-10
Technical Know-How	3-9

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (iv) Capital work in progress ("CWIP"):

- (1) Projects under commissioning and other CWIP items are carried at cost, comprising direct costs, related incidental expenses and eligible borrowing costs, if any.
- (2) Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

### (j) Borrowing costs:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset till the date the asset is ready for intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activity on the qualifying asset is suspended. Other borrowing costs are recognised as an expense in the period in which they are incurred. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### (k) Leases:

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

#### Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

### (i) Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Type of Asset	Useful Life estimated by management (years)
Leasehold Land	60 to 95 years
Building	4 to 9 years
Plant & Machinery (IT Equipments)	5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

#### Sale and leaseback

When the Company (seller-lessee) sells an asset to another entity (buyer-lessor) and leases it back from the buyer-lessor, the Company determines if the transaction qualifies as a sale under Ind AS 115 or whether the transaction is a collateralised borrowing.

A sale and leaseback qualifies as a sale if the buyer-lessor obtains control of the underlying asset. The Company measures a right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain / (loss) that the Company recognises is limited to the proportion of the total gain / (loss) that relates to the rights transferred to the buyer-lessor.

Any difference between the sale consideration and the fair value of the asset is either a prepayment of lease payments (if the purchase price is below market terms) or an additional financing (if the purchase price is above market terms), and this is applied if the lease payments are not at market rates.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

If the transfer does not qualify as a sale under Ind AS 115, the Company does not derecognise the transferred asset, and it accounts for the cash received as a financial liability.

### (ii) Lease liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### (iii) Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value (i.e. INR 500,000) Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Company as a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line

basis over the lease terms and is included in other income in the Statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### (l) Inventories:

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, stores and spares and packing material: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.

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

### (m) Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company 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.

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In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets / forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations including impairment on inventories, are recognised in the Statement of Profit and Loss.

For the assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed either its recoverable amount, or the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31<sup>st</sup> March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### (n) Provisions, contingent liabilities and contingent assets:

#### (i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

#### (ii) Contingent liability

Contingent liability is:

- (a) possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- (b) a present obligation that arises from past events but is not recognized because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
  - the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37. The cases which have been determined as remote by the Company have not been disclosed.

#### (iii) Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not

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recognize the contingent asset in its financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognise such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

### (o) Post-employment and other employee benefits:

#### (i) Short-term employee benefits:

The distinction between short-term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short-term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. A liability is recognised at an undiscounted value for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### (ii) Post-employment benefits:

##### (1) Defined contribution plans:

The contributions to provident fund, other funds, and superannuation schemes are recognised in the Statement of Profit and Loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

##### (2) Defined benefit plans:

The Company operates two defined benefit plans for its employees, viz. gratuity and pension. The present value of the obligation under such defined benefit plans is determined based on an independent actuarial valuation using the Projected Unit Credit Method as at the date of the Balance Sheet. The fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on a net basis.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included

in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.
- Re-measurement

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### (3) Compensated absences:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

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The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

### (p) Share based payments:

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 50.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and / or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and / or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and / or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### (q) Finance costs:

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. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### (r) Financial instruments:

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

### (i) Financial assets:

#### (1) Initial recognition and measurement:

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at amortised cost, fair value through fair value through other comprehensive income (OCI), and fair value through profit or loss. Transaction costs that

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are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in Note 2.3 (d) Revenue from contracts with customers.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

### (2) Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

### Financial assets at amortised cost (debt instruments):

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

### Financial assets at fair value through other comprehensive income (FVTOCI) (debt instruments):

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Statement of Profit and Loss and computed in the same manner as for financial assets

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measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

### Financial assets designated at fair value through other comprehensive income (equity instruments):

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under Ind AS 32 Financial Instruments - Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to the Statement of Profit and Loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

### Financial assets at fair value through profit or loss (FVTPL):

Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through other comprehensive income. Interest earned on instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate.

### (3) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (a) The rights to receive cash flows from the asset have expired, or

- (b) 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### (4) Impairment of financial assets:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables, the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

Therefore, the Company does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other assets, the Company uses 12 month Expected Credit Loss to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime Expected Credit Loss is used. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### (ii) Financial liabilities and equity instruments:

#### (1) Classification as debt or equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after

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deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The Company classifies a financial instrument issued by it as equity instrument only if below conditions are met:

The instrument neither includes contractual obligation to deliver cash or another financial asset to another entity, nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

If the instrument will or may be settled in the Company's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Company to deliver a variable number of its own equity instruments. If the instrument is derivative, then it should be settled only by the Company exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liability and accounted for using the accounting policy applicable to the Financial Liabilities.

### (2) Initial recognition and measurement:

All financial liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost. The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### (3) Subsequent measurement:

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### Financial liabilities at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Company

has designated any financial liability as at fair value through profit or loss.

#### Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Company. Financial liabilities are carried at amortised cost using the effective interest rate (EIR) method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. For more information refer Note 53.

#### Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

### (4) 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 derecognition 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 and Loss.

### (iii) Offsetting of financial instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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### (s) Derivative financial instruments and hedge accounting:

#### Initial recognition and subsequent measurement

The Company uses various derivative financial instruments such as forwards, interest rate swaps and currency swaps to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to the Statement of Profit and Loss, when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

#### Fair value hedge:

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and exchange rates. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the Statement of Profit and Loss over the period of maturity.

#### Cash flow hedge:

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. Refer to Note 49 for more details.

If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold / terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

### (t) Cash and cash equivalents, and Bank balances:

Cash and cash equivalent comprises of cash at banks (which are unrestricted for withdrawal and usage), and cash on hand and short-term deposits with original maturity of three months or less. Bank balances other than cash and cash equivalents as explained above comprises of earmarked balances of unclaimed dividends, and short-term deposits with original maturity of three months or more. These items are subject to an insignificant risk of changes in value. In the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above which are considered as integral part of the Company's cash management.

### (u) Dividends:

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

### (v) Earnings per share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted

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average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (w) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company has identified the Managing Director as the chief operating decision maker of the Company.

### (x) Rounding-off of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs, with one decimal, as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

### (y) Climate-related matters:

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- (i) Useful life of property, plant and equipment: When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

- (ii) Impairment of non-financial assets: The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

### (z) New and amended standards:

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1<sup>st</sup> April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### (i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117 - Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024. Ind AS 117 - Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 - Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 had no impact on the Company's financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

#### (ii) Amendment to Ind AS 116 Leases – Lease liability in a sale and leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendment does not have a material impact on the Company's financial statements.

### (iii) Amendment to IND AS 21 – Lack of exchangeability

The Ministry of Corporate Affairs notified amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's financial statements.

### Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

### (aa) Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may differ from these estimates.

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

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Financial instruments risk management objectives and policies Note 49(A).
- Sensitivity analyses disclosures Notes 40, and 49(A).
- Capital management Note 49(B).

### Use of significant judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### (i) Determining the lease term of contracts with renewal and termination options – Company as a lessee:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Refer Note 5 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

### Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### (i) Estimating the incremental borrowing rate to measure lease liabilities

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).

#### (ii) Useful life and residual value of property, plant and equipment and intangible assets:

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's property, plant and equipment and intangible assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on

historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Consequently, the future depreciation charge could be revised and may have an impact on profit for future years. The policy for the same has been explained in notes 2.3 (h) and 2.3 (i).

#### (iii) Recognition of deferred tax assets

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced. The policy for the same has been explained under Note 2.3 (f).

#### (iv) Defined benefit obligation:

The cost of the defined benefit gratuity plan, other defined benefit plan and other post-employment plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, expected returns on plan assets and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, discount rate and return on planned assets are based on expected future inflation rates for India. Further details about defined benefit plans are given in Note 2.3 (o).

### (v) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. The policy for the same has been explained under Note 2.3 (m).

### (vi) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Further, the Company also evaluates risk with respect to expected loss on account of loss in time value of money which is calculated using average cost of capital for relevant financial assets.

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less

than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss. The policy for the same has been explained in Note 2.3 (r) Financial Instruments.

### (vii) Provision for inventory obsolescence:

The Company identifies slow and non-moving stock of all inventories on an ongoing basis. These materials are then classified based on their expected quality parameters to determine the possibility of utilisation / liquidation of these materials. Based on this, a provision for slow and non-moving inventory is created.

### (viii) Share based payment:

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses the Black-Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 50.

### (ix) Litigation:

The Company has various ongoing litigations, the outcome of which may have a material effect on the financial position, results of operations or cashflows. The Company's legal team regularly analyses current information about these matters and assesses the requirement for provision for probable losses including estimates of legal expense to resolve such matters. In making the decision regarding the need for loss provision, the management considers the degree of probability of an unfavourable outcome and the ability to make sufficiently reliable estimate of the amount of loss. The filing of a lawsuit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Considering the facts on hand and the current stage of certain ongoing litigations the Company foresees a remote risk of any material claim arising from claims against the Company. The Management has exercised significant judgement in assessing the impact, if any, on the disclosures in respect of litigations in relation to the Company.

**(x) Determination of timing of satisfaction of performance obligation:**

The Company concluded that sale of goods is to be recognised at a point in time because it does not meet the criteria for recognising revenue over a period of time. The Company has applied judgement in determining the point in time when the control of the goods are transferred based on the criteria mentioned in the standard read along with the contract with customers, applicable laws and considering the industry practices. The goods

manufactured by the Company are on the basis of the open purchase order as on date and the order expected to be received. Further, the goods are dispatched as per the terms mentioned in the purchase order.

**(xi) Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using different valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements and estimates include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 53 and 54 for further disclosures.

### Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

#### 3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

##### A. Reconciliation of carrying amount

Particulars	Freehold Land (refer note C)	Buildings (refer note C)	Plant and Machinery	Vehicles	Furniture and Fixtures	Office Equipments	Total	Capital Work-in-Progress
<b>Gross amount as at 1<sup>st</sup> April, 2023 (refer note F)</b>	<b>928.8</b>	<b>16,542.4</b>	<b>1,34,810.1</b>	<b>703.9</b>	<b>1,386.6</b>	<b>298.6</b>	<b>1,54,670.4</b>	<b>4,425.3</b>
Additions	37.3	703.2	6,858.0	237.3	1,263.7	86.2	9,185.7	5,130.6
Disposals	-	0.6	146.8	77.2	0.1	0.9	225.6	-
Less : Transfers to property, plant and equipment	-	-	-	-	-	-	-	8,103.1
Less : Transferred to right-to-use (refer note G)	127.7	-	-	-	-	-	127.7	-
<b>Gross amount as at 31<sup>st</sup> March, 2024</b>	<b>838.4</b>	<b>17,245.0</b>	<b>1,41,521.3</b>	<b>864.0</b>	<b>2,650.2</b>	<b>383.9</b>	<b>1,63,502.8</b>	<b>1,452.8</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2023 (refer note F)</b>	-	<b>2,133.3</b>	<b>45,693.9</b>	<b>489.3</b>	<b>583.9</b>	<b>80.4</b>	<b>48,980.8</b>	-
Depreciation for the year	-	468.6	11,810.4	95.9	193.6	56.0	12,624.5	-
Disposals	-	-	139.0	76.1	-	0.8	215.9	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2024</b>	-	<b>2,601.9</b>	<b>57,365.3</b>	<b>509.1</b>	<b>777.5</b>	<b>135.6</b>	<b>61,389.4</b>	-
<b>Net amount as at 31<sup>st</sup> March, 2024</b>	<b>838.4</b>	<b>14,643.1</b>	<b>84,156.0</b>	<b>354.9</b>	<b>1,872.7</b>	<b>248.3</b>	<b>1,02,113.4</b>	<b>1,452.8</b>
<b>Gross amount as at 1<sup>st</sup> April, 2024 (refer note F)</b>	<b>838.4</b>	<b>17,245.0</b>	<b>1,41,521.3</b>	<b>864.0</b>	<b>2,650.2</b>	<b>383.9</b>	<b>1,63,502.8</b>	<b>1,452.8</b>
Additions	-	606.3	6,332.1	298.7	29.1	65.2	7,331.4	8,939.9
Disposals	-	-	62.7	129.3	0.1	1.8	193.9	-
Less : Transfers to property, plant and equipment	-	-	-	-	-	-	-	5,845.2
<b>Gross amount as at 31<sup>st</sup> March, 2025</b>	<b>838.4</b>	<b>17,851.3</b>	<b>1,47,790.7</b>	<b>1,033.4</b>	<b>2,679.2</b>	<b>447.3</b>	<b>1,70,640.3</b>	<b>4,547.5</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2024 (refer note F)</b>	-	<b>2,601.9</b>	<b>57,365.3</b>	<b>509.1</b>	<b>777.5</b>	<b>135.6</b>	<b>61,389.4</b>	-
Depreciation for the year	-	483.1	12,019.0	121.7	265.6	68.2	12,957.6	-
Disposals	-	-	59.6	127.9	0.1	1.3	188.9	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2025</b>	-	<b>3,085.0</b>	<b>69,324.7</b>	<b>502.9</b>	<b>1,043.0</b>	<b>202.5</b>	<b>74,158.1</b>	-
<b>Net amount as at 31<sup>st</sup> March, 2025</b>	<b>838.4</b>	<b>14,766.3</b>	<b>78,466.0</b>	<b>530.5</b>	<b>1,636.2</b>	<b>244.8</b>	<b>96,482.2</b>	<b>4,547.5</b>

B. The Company has pledged certain property, plant and equipment against borrowings, the details of which have been given in note 19 (d).

C. The title deeds of all immovable properties are held in the name of the Company.

D. The Company has not revalued its property, plant and equipment during financial year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

E. There are no assets which are lying with the third parties.

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- F.** On transition to Ind AS (i.e. 1<sup>st</sup> April, 2016), the Company has elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost used for property, plant and equipment.
- G.** During the previous year, the company had reclassified freehold land amounting to ₹ 127.7 lakhs to right-of-use assets (lease hold land) pursuant to a sale and lease back agreement with Maharashtra Industrial Development Corporation.
- H.** Refer Note 45 (a) for disclosure on contractual commitments for the acquisition of property, plant and equipment.
- I.** The above disclosure includes property, plant and equipment of Research and Development.
- J. Following is the ageing schedule for Capital-work-in progress ("CWIP").**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,533.4	14.1	-	-	4,547.5
Projects temporarily suspended	-	-	-	-	-
	<b>4,533.4</b>	<b>14.1</b>	-	-	<b>4,547.5</b>
<b>As at 31<sup>st</sup> March, 2025</b>					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,452.8	-	-	-	1,452.8
Projects temporarily suspended	-	-	-	-	-
	<b>1,452.8</b>	-	-	-	<b>1,452.8</b>
<b>As at 31<sup>st</sup> March, 2024</b>					

There are no projects whose completion is overdue or has exceeded their cost compared to original plan.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 4 INTANGIBLE ASSETS

#### A. Reconciliation of carrying amount

Particulars	Computer Software	Technical Knowhow (Acquired)	Technical Knowhow (Internally Generated)	Registrations (Acquired)	Other Intangible Assets	Total
<b>Gross amount as at 1<sup>st</sup> April, 2023 (refer note C)</b>	<b>1,961.2</b>	<b>187.9</b>	<b>2,191.4</b>	<b>1,003.8</b>	<b>467.2</b>	<b>5,811.5</b>
Additions	27.5	-	-	247.6	-	275.1
Disposals / Transfer	-	-	-	-	-	-
<b>Gross amount as at 31<sup>st</sup> March, 2024</b>	<b>1,988.7</b>	<b>187.9</b>	<b>2,191.4</b>	<b>1,251.4</b>	<b>467.2</b>	<b>6,086.6</b>
<b>Accumulated amortisation as at 1<sup>st</sup> April, 2023 (refer note C)</b>	<b>1,064.3</b>	<b>186.0</b>	<b>589.1</b>	<b>521.3</b>	<b>192.3</b>	<b>2,553.0</b>
Amortisation for the year	259.7	-	363.6	92.1	63.3	778.7
Disposals / Transfer	-	-	-	-	-	-
<b>Accumulated amortisation as at 31<sup>st</sup> March, 2024</b>	<b>1,324.0</b>	<b>186.0</b>	<b>952.7</b>	<b>613.4</b>	<b>255.6</b>	<b>3,331.7</b>
<b>Net amount as at 31<sup>st</sup> March, 2024</b>	<b>664.7</b>	<b>1.9</b>	<b>1,238.7</b>	<b>638.0</b>	<b>211.6</b>	<b>2,754.9</b>
<b>Gross amount as at 1<sup>st</sup> April, 2024 (refer note C)</b>	<b>1,988.7</b>	<b>187.9</b>	<b>2,191.4</b>	<b>1,251.4</b>	<b>467.2</b>	<b>6,086.6</b>
Additions	5.1	-	-	56.3	-	61.4
Disposals / Transfer	-	-	-	-	-	-
<b>Gross amount as at 31<sup>st</sup> March, 2025</b>	<b>1,993.8</b>	<b>187.9</b>	<b>2,191.4</b>	<b>1,307.7</b>	<b>467.2</b>	<b>6,148.0</b>
<b>Accumulated amortisation as at 1<sup>st</sup> April, 2024 (refer note C)</b>	<b>1,324.0</b>	<b>186.0</b>	<b>952.7</b>	<b>613.4</b>	<b>255.6</b>	<b>3,331.7</b>
Amortisation for the year	250.4	-	363.7	107.4	63.5	785.0
Disposals / Transfer	-	-	-	-	-	-
<b>Accumulated amortisation as at 31<sup>st</sup> March, 2025</b>	<b>1,574.4</b>	<b>186.0</b>	<b>1,316.4</b>	<b>720.8</b>	<b>319.1</b>	<b>4,116.7</b>
<b>Net amount as at 31<sup>st</sup> March, 2025</b>	<b>419.4</b>	<b>1.9</b>	<b>875.0</b>	<b>586.9</b>	<b>148.1</b>	<b>2,031.3</b>

- B. The Company has not revalued its Intangible Assets during the financial years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024
- C. On transition to Ind AS (i.e. 1<sup>st</sup> April, 2016), the Company has elected to continue with the carrying value of all intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### 5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### Company as a lessee

The Company has lease contracts for various items of building, land and plant & machinery (IT equipment) used in its operations. Leases of building generally have lease terms between 4 and 9 years and certain plant & machinery (IT equipment) have lease term of 5 years. Leasehold land pertains to upfront payments made to Maharashtra Industrial Development Corporation and hence have longer lease terms upto 99 years with no corresponding lease liabilities. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments. The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for such leases.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### A. Reconciliation of carrying amount

Right-of-use assets ("ROU")	Leasehold land	Plant & Machinery (IT equipment)	Buildings	Total
<b>As at 1<sup>st</sup> April, 2023</b>	<b>136.3</b>	<b>187.0</b>	<b>626.0</b>	<b>949.3</b>
Additions*	127.7	-	1,984.0	2,111.7
Disposals	-	-	643.1	643.1
<b>As at 31<sup>st</sup> March, 2024</b>	<b>264.0</b>	<b>187.0</b>	<b>1,966.9</b>	<b>2,417.9</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2023</b>	<b>12.8</b>	<b>6.1</b>	<b>65.4</b>	<b>84.3</b>
Depreciation for the year	2.8	37.5	245.8	286.1
Disposals	-	-	-	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2024</b>	<b>15.6</b>	<b>43.6</b>	<b>311.2</b>	<b>370.4</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2024</b>	<b>248.4</b>	<b>143.4</b>	<b>1,655.7</b>	<b>2,047.5</b>
<b>As at 1<sup>st</sup> April, 2024</b>	<b>264.0</b>	<b>187.0</b>	<b>1,966.9</b>	<b>2,417.9</b>
Additions	-	-	1,691.7	1,691.7
Disposals	-	-	-	-
<b>As at 31<sup>st</sup> March, 2025</b>	<b>264.0</b>	<b>187.0</b>	<b>3,658.6</b>	<b>4,109.6</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2024</b>	<b>15.6</b>	<b>43.6</b>	<b>311.2</b>	<b>370.4</b>
Depreciation for the year	3.2	37.5	286.5	327.2
Disposals	-	-	-	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2025</b>	<b>18.8</b>	<b>81.1</b>	<b>597.7</b>	<b>697.6</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2025</b>	<b>245.2</b>	<b>105.9</b>	<b>3,060.9</b>	<b>3,412.0</b>

### B. Lease Liabilities

Particulars	
<b>As at 1<sup>st</sup> April 2023</b>	<b>750.7</b>
Add: Addition during the year*	1,984.0
Add: Interest accrued on lease liability	123.2
Less: Disposal	(637.8)
Less: Cash outflows for leases	(296.1)
<b>As at 31<sup>st</sup> March 2024</b>	<b>1,924.0</b>
<b>As at 1<sup>st</sup> April 2024</b>	<b>1,924.0</b>
Add: Addition during the year	1,691.7
Add: Interest accrued on lease liability	178.2
Less: Cash outflows for leases	(381.9)
<b>As at 31<sup>st</sup> March 2025</b>	<b>3,412.0</b>

\* Additions in buildings during the previous year include additions on account of reassessment of lease term performed by management basis significant leasehold improvements capitalised during the previous year with useful life estimated by management to be aligned with original lease term i.e. 9 years.

#### Bifurcation of lease liabilities

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Current	300.6	218.7
Non-current	3,111.4	1,705.3
	<b>3,412.0</b>	<b>1,924.0</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### C. Amount recognised in the Statement of Profit and Loss

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Interest expenses on lease liabilities	178.2	123.2
Expenses relating to short term lease (included in other expenses)	130.5	240.5
Depreciation on ROU assets	327.2	286.1
	<b>635.9</b>	<b>649.8</b>

### D. Amounts recognised in the Statement of Cash Flows

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total cash outflow for leases	381.9	296.1
	<b>381.9</b>	<b>296.1</b>

### E. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Less than 1 year	562.4	357.0
1 to 5 years	2,364.5	1,663.0
More than 5 years	1,766.3	571.0

## 6 INVESTMENT IN SUBSIDIARIES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unquoted equity instruments</b>		
<b>At cost</b>		
<b>(a) Investments in wholly owned subsidiaries</b>		
Sudarshan Europe B.V.	1,916.4	1,916.4
28,100 (Previous Year : 28,100) equity shares of EUR 100 each		
RIECO Industries Limited	2,889.3	2,889.3
12,500,000 (Previous Year : 12,500,000) equity shares of ₹10 each		
Sudarshan CSR Foundation (Section 8 Company) **	1.0	-
10,000 (Previous Year : 10,000) equity shares of ₹10 each		
	<b>4,806.7</b>	<b>4,805.7</b>
<b>(b) Investments in Subsidiary (held for sale)</b>		
Sudarshan Japan Limited *	-	65.1
9,850,000 (Previous Year : 9,850,000 ) equity shares of JPY 1 each		
	-	<b>65.1</b>

\*In the previous year, the Board of Directors at its meeting held on Wednesday, 6<sup>th</sup> March, 2024, accorded its in-principle approval for sale of its holding in Sudarshan Japan Limited subject to necessary due diligence, approvals, consents, permission from the concerned authority to Sudarshan Europe B.V. Pursuant to the requirement of IND AS 105 - "Non current Assets Held for Sale and Discontinued Operations", this has been classified as "investment in subsidiary (held for sale)" as at 31<sup>st</sup> March, 2024. Further, as a part of restructuring/consolidation and with the purpose to have a single entity as Global Holding Company for all overseas subsidiaries, the Company, on March 25, 2025, divested its holdings in Sudarshan Japan Limited to Sudarshan Europe B.V. for a total consideration of ₹ 101.3 lakhs, resulting into a profit of ₹ 36.2 lakhs which has been disclosed in Miscellaneous Income (refer note 27)

\*\*In light of the recent opinion issued by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on "Consolidation of the financial statements of a Section 8 Company with the Sponsor Company.", the Company has determined that it exercises control over its Section 8 company, 'Sudarshan CSR Foundation'. Consequently, the investment in 'Sudarshan CSR Foundation' has been reclassified from 'other investments' to 'investment in subsidiaries' as compared to previous year.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The above change does not impact recognition and measurement of items in the financial statements, and, consequentially, there is no impact on total equity and/ or profit (loss) for the current or any of the earlier periods. Nor there is any material impact on presentation of cash flow statement. Considering the nature of changes, the management believes that they do not have any material impact on the balance sheet at the beginning of the comparative period and, therefore, there is no need for separate presentation of third balance sheet.

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

As an Ind AS transition adjustment, as at 31<sup>st</sup> March, 2017, the fair value of financial guarantee fees receivable for security given by the Company for loans taken by subsidiaries has been included in the value of investments. The details of such fair values included in the value of investments above is as shown below:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
RIECO Industries Limited	89.3	89.3
Sudarshan Europe B.V.	7.4	7.4
	<b>96.7</b>	<b>96.7</b>

### 7 OTHER INVESTMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Non-current</b>		
<b>Unquoted, fully paid equity instruments</b>		
<b>I. Investment designated at cost</b>		
Sudarshan CSR Foundation (Section 8 Company) 10,000 (Previous Year : 10,000) equity shares of ₹10 each	-	1.0
Pigment Manufacturers Association of India 1,000 (Previous Year : 1,000) equity shares of ₹10 each	0.1	0.1
<b>II. Investment designated as fair value through profit and loss account (FVTPL)</b>		
AVADA Satara MH Private Limited* 66,92,000 (Previous Year : 66,92,000) equity shares of ₹10 each	281.8	243.0

\* These investments are for operational purpose and are obligatory in nature. On disposal, these will fetch only the principal amount invested and hence the Company considers their cost and fair value to be the same.

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unquoted, fully paid preference shares</b>		
<b>III. Investment designated at amortised cost</b>		
Sudarshan Europe B.V.* 798,631 (Previous Year : Nil) 5.5% Cumulative Non-convertible Redeemable Preference Shares of EUR 100 each	73,959.3	-
	<b>74,241.2</b>	<b>244.1</b>

\*During the year ended March 31, 2025, the Company has invested into the Non Convertible Redeemable Preference Shares of its wholly owned subsidiary Sudarshan Europe B. V. (SEBV) which is carrying dividend at 5.5%, cumulative in nature.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current</b>		
<b>I. Investment designated as fair value through profit and loss account (FVTPL)</b>		
Investments in mutual funds (quoted funds)	25,729.0	-
	<b>25,729.0</b>	-
Aggregate amount of quoted investments and market value thereof	25,729.0	-
Aggregate amount of unquoted investments	79,047.9	5,049.8
Aggregate amount of impairment in the value of investments	-	-

### 8 OTHER FINANCIAL ASSETS (AMORTISED COST)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current (unsecured, considered good):</b>		
Security deposit *	614.0	518.0
Amount paid towards share application	176.8	-
Tender deposit	9.3	8.5
	<b>800.1</b>	<b>526.5</b>
<b>(b) Current (unsecured, considered good):</b>		
Receivable from subsidiaries (refer note 48)	4,807.2	409.0
Government grant receivable	392.2	221.6
Other receivables (includes interest accrued on deposits)	1,066.4	485.9
	<b>6,265.8</b>	<b>1,116.5</b>

\* Includes deposits with Maharashtra State Electricity Distribution Company Limited and Maharashtra Industrial Development Corporation.

### 9 OTHER ASSETS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
Capital advances (unsecured)		
Considered good	270.2	161.7
Considered doubtful	90.0	90.0
Less : Provision for doubtful advances	(90.0)	(90.0)
	<b>270.2</b>	<b>161.7</b>
Balances with government authorities	520.6	125.2
Prepaid expenses	425.8	481.3
	<b>946.4</b>	<b>606.5</b>
	<b>1,216.6</b>	<b>768.2</b>
<b>(b) Current:</b>		
Prepaid expenses	838.8	735.1
Balances with government authorities	3,073.3	1,907.6
Advances to suppliers	1,382.4	740.9
	<b>5,294.5</b>	<b>3,383.6</b>

No advances are due from directors or other officers of the Company, firms in which a director is a partner or private companies in which a director is a director or a member either severally or jointly with any other person except as disclosed in note 48.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 10 INVENTORIES (AT THE LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Raw materials (includes items with third parties and items lying in transit)	10,587.5	9,380.3
Work-in-progress	6,583.8	5,785.3
Finished goods (includes items with third parties and items lying in transit)	14,294.8	12,703.0
Stores and spares (includes items with third parties)	3,509.2	3,374.7
Packing materials	106.0	100.1
	<b>35,081.3</b>	<b>31,343.4</b>

During the year, an amount of ₹55.9 Lakhs (31<sup>st</sup> March, 2024: ₹33.7 Lakhs) was (reversed) / charged off to the Statement of Profit and Loss on account of provision for difference in stock values and net realisable values of inventories.

Value of raw material in transit is ₹2,101.0 lakhs as at 31<sup>st</sup> March, 2025 (₹2,501.7 lakhs as at 31<sup>st</sup> March, 2024)

Value of finished goods in transit is ₹1,915.3 lakhs as at 31<sup>st</sup> March, 2025 (₹1,718.7 lakhs as at 31<sup>st</sup> March, 2024)

For details of inventory pledged as security refer note 19 (d).

### 11 TRADE RECEIVABLES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current:</b>		
<b>Trade receivables</b>		
Unsecured, considered good	67,902.0	52,483.6
Trade receivables which have significant increase in credit risk	782.3	363.7
Trade receivables - credit impaired	678.5	679.6
	<b>69,362.8</b>	<b>53,526.9</b>
<b>Less:</b>		
Impairment allowance (allowance for bad and doubtful debts including expected credit loss)		
Credit impaired	678.5	679.6
Unsecured (Considered good)	782.3	363.7
	<b>1,460.8</b>	<b>1,043.3</b>
	<b>67,902.0</b>	<b>52,483.6</b>
Trade receivable from:		
(i) Related parties (refer note 48)	19,193.6	9,633.3
(ii) Others	50,169.2	43,893.6
	<b>69,362.8</b>	<b>53,526.9</b>

Refer note 19 (d) for details of pledges and securities and refer note 49 for details of credit risk related to trade receivables.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 7 to 120 days. For terms and conditions relating to related party receivables, refer note 48.

For details of debts due from firms or private companies in which any director is a partner, a director or a member, refer note 48.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Following is the ageing schedule for trade receivables

As at 31<sup>st</sup> March, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - Considered good	51,259.0	15,961.8	139.8	166.5	364.5	10.4	<b>67,902.0</b>
Undisputed - which have significant increase in credit risk	18.8	33.1	599.0	54.4	13.2	63.8	<b>782.3</b>
Undisputed - Credit impaired	-	-	-	-	-	99.2	<b>99.2</b>
Disputed - Considered good	-	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed -Credit impaired	-	-	-	-	-	579.3	<b>579.3</b>
<b>Total</b>	<b>51,277.8</b>	<b>15,994.9</b>	<b>738.8</b>	<b>220.9</b>	<b>377.7</b>	<b>752.7</b>	<b>69,362.8</b>

Note :- Above figures is gross of provision for expected credit loss amounting to ₹1,460.8 lakhs.

There are no unbilled receivables, hence the same has not been disclosed in the ageing schedule.

As at 31<sup>st</sup> March, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - Considered good	41,254.1	10,529.0	130.5	570.0	-	-	<b>52,483.6</b>
Undisputed - which have significant increase in credit risk	10.5	10.9	2.4	153.1	88.7	98.1	<b>363.7</b>
Undisputed - Credit impaired	-	-	-	-	-	100.4	<b>100.4</b>
Disputed - Considered good	-	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	579.2	<b>579.2</b>
<b>Total</b>	<b>41,264.6</b>	<b>10,539.9</b>	<b>132.9</b>	<b>723.1</b>	<b>88.7</b>	<b>777.7</b>	<b>53,526.9</b>

Note :- Above figures is gross of provision for expected credit loss amounting to ₹1,043.3 lakhs.

There are no unbilled receivables, hence the same has not been disclosed in the ageing schedule.

## 12 CASH AND CASH EQUIVALENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Balance with banks		
In current accounts	1,858.5	3,527.7
Cash on hand	10.5	9.2
	<b>1,869.0</b>	<b>3,536.9</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Changes in liabilities arising from financing activities

Particulars	As at 1 <sup>st</sup> April, 2024	Cash flow (net)	Non-cash changes			As at 31 <sup>st</sup> March, 2025
			Unrealised foreign exchange (gain) / loss	Changes in fair value	Current / Non-current classification	
Non-current borrowings	19,331.5	(6,262.8)	(763.0)	-	(9,893.2)	2,412.5
Current maturities of non-current borrowings	16,532.7	843.0	(843.0)	-	1,369.7	17,902.4
Current borrowings	-	19,814.1	-	-	-	19,814.1
Lease liabilities	1,924.0	(203.7)	-	-	-	3,412.0
<b>Total</b>	<b>37,788.2</b>	<b>14,190.6</b>	<b>(1,606.0)</b>	<b>-</b>	<b>(8,523.5)</b>	<b>43,541.0</b>

### Changes in liabilities arising from financing activities

Particulars	As at 1 <sup>st</sup> April, 2023	Cash flow (net)	Non-cash changes			As at 31 <sup>st</sup> March, 2024
			Unrealised foreign exchange (gain)/ loss	Changes in fair value	Current / Non-current classification	
Non-current borrowings	44,721.5	(23,841.3)	(1,553.9)	-	5.2	19,331.5
Current maturities of non-current borrowings	17,969.9	(2,697.7)	297.2	-	963.3	16,532.7
Current borrowings	-	-	-	-	-	-
Lease liabilities	750.7	(172.9)	-	-	-	1,924.0
<b>Total</b>	<b>63,442.1</b>	<b>(26,711.9)</b>	<b>(1,256.7)</b>	<b>-</b>	<b>968.5</b>	<b>37,788.2</b>

### 13 BANK BALANCES OTHER THAN ABOVE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Earmarked balances on unclaimed dividends*	368.6	595.8
Margin money deposits**	398.5	105.5
	<b>767.1</b>	<b>701.3</b>

\*Unclaimed dividend amounts are restricted in use as it relates to unclaimed dividends.

\*\*Lodged against bank guarantee, letter of credits, other credit facility and against funds received from Qualified Institutional Placement, earmarked for specified purposes.

### 14 LOANS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current:</b>		
<b>Loans to related parties</b>		
(Unsecured and considered good)		
Loans to subsidiaries	4,630.4	151.4
	<b>4,630.4</b>	<b>151.4</b>

Loans are non derivative financial assets which generate fixed interest income for the Company. The carrying value may be affected by change in the credit risk of counterparties.

Refer note 43 for terms of loans to related parties and note 48 for details of transaction with related parties.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 15 DERIVATIVE INSTRUMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
<b>Cash flow hedges (FVTOCI)</b>		
Interest rate / currency swap contracts	10.8	127.6
	<b>10.8</b>	<b>127.6</b>
<b>(b) Current:</b>		
<b>Derivatives not designated as hedges (FVTPL)</b>		
Foreign currency forward contracts	947.8	34.0
<b>Cash flow hedges (FVTOCI)</b>		
Interest rate / currency swap contracts	126.3	669.5
	<b>1,074.1</b>	<b>703.5</b>

Note: Refer note 51 for hedging activities and note 49 for foreign currency risk management.

### 16 EQUITY SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>AUTHORISED :</b>		
100,000,000 (Previous Year : 75,000,000) equity shares of ₹2 each. (Refer Note (g))	2,000.0	1,500.0
<b>ISSUED :</b>		
78,573,385 (Previous Year : 69,227,750) equity shares of ₹2 each. *	1,571.5	1,384.5
<b>SUBSCRIBED AND FULLY PAID-UP :</b>		
78,572,885 (Previous Year : 69,227,250) equity shares of ₹2 each fully paid up. *	1,571.5	1,384.5

\* Allotment of 500 Rights Equity Shares of ₹2 each is kept in abeyance, matter being sub-judice.

#### (a) Reconciliation of authorised equity share capital

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Quantity in nos.	Value ₹ Lakhs	Quantity in nos.	Value ₹ Lakhs
At the beginning of the year	7,50,00,000	1,500.0	7,50,00,000	1,500.0
Add : Increase during the year (Refer note (g))	2,50,00,000	500.0	-	-
Outstanding at the end of the year	10,00,00,000	2,000.0	7,50,00,000	1,500.0

#### (b) Reconciliation of issued, subscribed and fully paid-up equity share capital

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Quantity in nos.	Value ₹ Lakhs	Quantity in nos.	Value ₹ Lakhs
At the beginning of the year	6,92,27,250	1,384.5	6,92,27,250	1,384.5
Add : Shares issued through qualified institutions placement (refer note (h))	74,76,635	149.5	-	-
Add : Shares issued through preferential issue (refer note (i))	18,69,000	37.5	-	-
Outstanding at the end of the year	7,85,72,885	1,571.5	6,92,27,250	1,384.5

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (c) Terms / Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2.0 per share (Previous Year : ₹ 2.0 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend, which is ratified subsequently.

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.

The Board of Directors at its meeting held on 25<sup>th</sup> July, 2025, recommended Final Dividend of ₹ 4.50/- (Rupee Four and Fifty Paise only) (i.e. 225%) per Equity Share of face value of ₹ 2.00/- each fully paid up, for the Financial Year ended 31<sup>st</sup> March, 2025, subject to approval of the members at ensuing Annual General Meeting.

In the previous year, the Board of Directors had recommended a final dividend of ₹ 1.0 /- per share on face value of ₹ 2.0/- per share (i.e. 50%) for the FY 2023-24, which was approved by the shareholders at the 73<sup>rd</sup> Annual General Meeting of the Company. This is in addition to the Interim Dividend of ₹ 3.60/- (Rupees Three and Sixty Paise only) (i.e. 180%) per Equity Share of face value of ₹ 2.00/- each fully paid up, paid during the Financial Year 2023-24, taking total Dividend for the Financial Year 2023-24 at ₹ 4.60/- (Rupees Four and Sixty Paise only).

### (d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No.	% of total shares in class	No.	% of total shares in class
HDFC Small Cap Fund	57,34,275	7.30	24,28,126	3.51
Mr. Akash Bhanshali	56,05,577	7.13	56,05,577	8.10
Mr. A. N. Rathi	54,47,620	6.93	54,47,620	7.87
Tata Mutual Fund - Tata Small Cap Fund	47,82,355	6.09	-	-
Mr. R. B. Rathi	40,50,359	5.15	40,50,359	5.85
Mr. P. R. Rathi	34,24,740	4.36	41,86,240	6.05

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Consequent to issue of Equity Shares by way of Qualified Institutions Placement and Preferential Issue during the year, percentage of total shares held by the above shareholders has diluted since the total number of issued Equity Shares has increased from 6,92,27,250 to 7,85,72,885.

During the year, the Company has issued 9,80,000 Warrants convertible into 9,80,000 Equity Shares of ₹ 2 each to Mr. R. B. Rathi. The said Warrants are eligible for conversion into Equity Shares within a period of eighteen months from the date of Issue i.e. 13<sup>th</sup> December, 2024. As on 31<sup>st</sup> March, 2025, the said Warrants have not been converted into Equity Shares and hence are not reflected in the total number of shares held by Mr. R. B. Rathi in the table above.

### (e) For a period of five years immediately preceding 31<sup>st</sup> March, 2025

- aggregate number of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
- aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
- aggregate number of shares bought back - Nil

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (f) Shareholding of Promoters as at 31<sup>st</sup> March, 2025

Promoter / Promoter Group	No of shares as at 31 <sup>st</sup> March, 2025	% of total shares	No of shares as at 31 <sup>st</sup> March, 2024	% of total shares	% change during the year
Mr. A. N. Rathi	54,47,620	6.93	54,47,620	7.87	(0.94)
Mr. R. B. Rathi	40,50,359	5.15	40,50,359	5.85	(0.70)
Mr. P. R. Rathi	34,24,740	4.36	41,86,240	6.05	(1.69)
Mr. R. P. Rathi	30,23,859	3.85	30,23,859	4.37	(0.52)
Mr. R. B. Rathi and Mr. A. B. Rathi (As Trustees - SOW Rachna Rathi Family Trust)	12,08,250	1.54	12,08,250	1.75	(0.21)
Mr. M. A. Rathi	5,27,900	0.67	8,27,900	1.20	(0.53)
Balkrishna Rathi Finance Private Limited	4,62,550	0.59	4,62,550	0.67	(0.08)
Mr. N. J. Rathi	4,37,650	0.56	4,37,650	0.63	(0.07)
Rajesh Balkrishna Rathi (HUF)	1,77,425	0.22	1,77,425	0.26	(0.04)
Mrs. R. R. Rathi	14,120	0.02	14,120	0.02	-
Mr. A. B. Rathi	-	-	6,73,660	0.97	(0.97)
Mrs. S. P. Rathi	-	-	13,13,680	1.90	(1.90)
Ajay Balkrishna Rathi (HUF)	-	-	11,75,325	1.70	(1.70)
	<b>1,87,74,473</b>	<b>23.89</b>	<b>2,29,98,638</b>	<b>33.24</b>	

### Shareholding of Promoters as at 31<sup>st</sup> March, 2024

Promoter / Promoter Group	No of shares as at 31 <sup>st</sup> March, 2024	% of total shares	No of shares as at 31 <sup>st</sup> March, 2023	% of total shares	% change during the year
Mr. A. N. Rathi	54,47,620	7.87	54,47,620	7.87	-
Mr. P. R. Rathi	41,86,240	6.05	41,86,240	6.05	-
Mr. R. B. Rathi	40,50,359	5.85	40,50,359	5.85	-
Mr. R. P. Rathi	30,23,859	4.37	30,23,859	4.37	-
Mrs. S. P. Rathi	13,13,680	1.90	13,13,680	1.90	-
Mr. R. B. Rathi and Mr. A. B. Rathi (As Trustees - SOW Rachna Rathi Family Trust)	12,08,250	1.75	12,08,250	1.75	-
Ajay Balkrishna Rathi (HUF)	11,75,325	1.70	11,75,325	1.70	-
Mr. M. A. Rathi	8,27,900	1.20	8,27,900	1.20	-
Mr. A. B. Rathi	6,73,660	0.97	20,73,660	3.00	(2.03)
Balkrishna Rathi Finance Private Limited	4,62,550	0.67	4,62,550	0.67	-
Mr. N. J. Rathi	4,37,650	0.63	4,37,650	0.63	-
Rajesh Balkrishna Rathi (HUF)	1,77,425	0.26	1,77,425	0.26	-
Mrs. R. R. Rathi	14,120	0.02	14,120	0.02	-
Mrs. N. A. Rathi	-	-	4,00,404	0.58	(0.58)
	<b>2,29,98,638</b>	<b>33.24</b>	<b>2,47,99,042</b>	<b>35.85</b>	

(g) The Board of Directors of the Company at its meeting held on 16<sup>th</sup> October, 2024, considered and approved the proposal for increase in the Authorised Share Capital from ₹15,00,00,000 divided into 7,50,00,000 equity shares of ₹ 2/- each to ₹ 20,00,00,000 divided into 10,00,00,000 equity shares of ₹ 2/- each ranking Pari-passu with the existing equity shares of the Company with a consequent amendment to the Memorandum of Association. The same was approved by the Shareholders of the Company by way of resolution passed by Postal Ballot on 30<sup>th</sup> November, 2024.

(h) On 29<sup>th</sup> January, 2025, the Company has issued and allotted 74,76,635 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,070.00 per equity share, including a premium of ₹1,068.00 per equity share, aggregating up to ₹79,999.9 lakhs

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

("Issue") to qualified institutional investors in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"). The Company has used the proceeds from the Issue for investment in Sudarshan Europe B.V. for part funding of the acquisition of global pigment business operations of the Heubach Group, including all associated costs in relation to the acquisition, repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by the Company and for general corporate purposes in accordance with the Placement Document dated 28<sup>th</sup> January, 2025. Consequently, equity share capital and other equity (securities premium) of the Company has increased by ₹ 149.5 lakhs and ₹ 79,850.5 lakhs respectively. Issue expenses of ₹ 1,213.7 lakhs have been netted from other equity (securities premium).

- (i) On 13<sup>th</sup> January, 2025, the Company has issued and allotted 18,69,000 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,043.33 per equity share, including a premium of ₹ 1,041.33 per equity share, aggregating up to ₹19,500.0 lakhs to the identified allottees / investors, not belonging to "Promoter and Promoter Group" of the Company by way of a preferential issue on private placement basis, for cash consideration (the "Preferential Allotment") in accordance with provisions of the Chapter V of the SEBI ICDR Regulations and as per applicable provisions of the Companies Act, 2013 and rules made thereunder. Consequently, equity share capital and other equity (securities premium) of the Company has increased by ₹ 37.5 lakhs and ₹ 19,462.5 lakhs respectively. Issue expenses of ₹ 79.0 lakhs have been netted from other equity (securities premium).

### (j) Other disclosures

The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries.

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts; except as disclosed in note 50.

## 17 OTHER EQUITY

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Capital reserve</b>		
Balance at the beginning of the year	0.4	0.4
Balance at the end of the year	<b>0.4</b>	<b>0.4</b>
<b>(b) Securities premium</b>		
Balance at the beginning of the year	1,321.2	1,321.2
Add: Premium on issue of equity shares (refer note 16 (h) and (i))	99,313.0	-
Less: Transaction costs on issue of equity shares (refer note 16 (h) and (i))	1,292.7	-
Balance at the end of the year	<b>99,341.5</b>	<b>1,321.2</b>
<b>(c) General reserve</b>		
Balance at the beginning of the year	21,340.5	21,340.5
Additions during the year	-	-
Deductions during the year	-	-
Balance at the end of the year	<b>21,340.5</b>	<b>21,340.5</b>
<b>(d) Effective portion of cash flow hedge</b>		
Balance at the beginning of the year	(2,538.9)	(2,409.7)
Arising / adjusted during the year	1,406.3	(129.2)
Balance at the end of the year	<b>(1,132.6)</b>	<b>(2,538.9)</b>
<b>(e) Share options (ESOP) outstanding reserve</b>		
Balance at the beginning of the year	463.3	337.2
Additions during the year	-	126.1
Deductions during the year	215.4	-
Balance at the end of the year	<b>247.9</b>	<b>463.3</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(f) Money received against share warrants</b>		
Balance at the beginning of the year	-	-
Warrants issued during the year	2,498.4	-
Balance at the end of the year	<b>2,498.4</b>	-
<b>(g) Retained earnings</b>		
Balance at the beginning of the year	88,677.8	58,836.7
Add: Profit for the year	14,097.4	33,512.4
Other comprehensive income / (loss) recognised directly in retained earnings	(273.2)	(140.7)
Transferred to retained earnings on lapse of employee stock options	215.4	-
Less: Appropriations		
Final equity dividend (refer note 16(c))	692.3	1,038.4
Interim equity dividend	-	2,492.2
Balance at the end of the year	<b>1,02,025.1</b>	<b>88,677.8</b>
	<b>2,24,321.2</b>	<b>1,09,264.3</b>

### Description of nature and purpose of each reserve

#### (a) Capital reserve

Capital reserve includes surplus on re-issue of shares made in the financial year 1996-97 amounting to ₹0.4 Lakhs.

#### (b) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

#### (c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

#### (d) Effective portion of cash flow hedge

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the underlying hedged transaction occurs (refer note 49 and 51).

#### (e) Share options (ESOP) outstanding reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under employee stock option plan (refer note 50).

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (f) Money received against share warrants

The Fund Raising Committee of the Board of Directors of the Company at its meeting held on 31<sup>st</sup> October, 2024, approved raising of funds not exceeding ₹ 10,000 lakhs by way of issuance of upto 9,80,000 warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company of face value of ₹ 2/- each ("Warrants") at a price of ₹ 1,019.75 each payable in cash ("Warrants Issue Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of eighteen months, to Mr. Rajesh Balkrishna Rathi, being a part of the promoter and promoter group of the Company, by way of a preferential issue through private placement offer. The same was subsequently approved by the Shareholders of the Company by way of resolution passed by Postal Ballot on 30<sup>th</sup> November, 2024. The Fund Raising Committee of the Board of Directors of the Company at its meeting held on 13<sup>th</sup> December, 2024, approved the allotment of 9,80,000 warrants to Mr. Rajesh Balkrishna Rathi, as per the details set forth below:

Name of Allottee	Category	Number of warrants allotted	Price at which the warrants are issued (in ₹) (per warrant)	Paid-up value per warrant on allotment (in ₹)* (at least 25% of the price at which the warrants are issued)	Consideration received as on the date of allotment (in ₹ lakhs)
Mr. Rajesh Balkrishna Rathi	Member of the Promoter and Promoter Group and Managing Director	9,80,000	1,019.75 (Including premium of ₹ 1,017.75 per Warrant)	254.94	2,498.4

\* The warrant holder will be required to make further payments of ₹ 764.81 for each Warrant, which is equivalent to 75% of the Warrants Issue Price at the time of exercise of the right attached to Warrants to subscribe to equity share(s). As on 31<sup>st</sup> March 2025, the said warrants have not been converted into equity shares.

### (g) Retained earnings

Retained earnings are the profits/(losses) that the Company has earned / incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

## 18 DISTRIBUTION MADE AND PROPOSED TO BE MADE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Dividends on equity shares declared and paid :</b>		
Final dividend for the year ended 31 <sup>st</sup> March, 2024 : ₹ 1.0 per share	692.3	
Interim dividend for the year ended 31 <sup>st</sup> March, 2024 : ₹ 3.6 per share		2,492.2
Final dividend for the year ended 31 <sup>st</sup> March, 2023 : ₹ 1.5 per share		1,038.4
<b>Proposed dividend on equity shares :</b>		
Final dividend for the year ended 31 <sup>st</sup> March, 2025 : ₹ 4.5 per share*	3,535.8	
Final dividend for the year ended 31 <sup>st</sup> March, 2024 : ₹ 1.0 per share*		692.3

\*Proposed dividends on equity shares are subject to approval at the Annual General Meeting of the Company and are not recognised as a liability as at year end. Dividend for the year ended 31<sup>st</sup> March, 2024 was subsequently approved by the shareholders at the 73<sup>rd</sup> Annual General Meeting of the Company.

The Company has complied with the provisions of Section 123 of the Companies Act, 2013 related to dividend declared and dividend paid.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 19 BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current borrowings:</b>		
<b>Secured</b>		
<b>Term loans from banks</b>		
Foreign currency loans (refer note 19 (c) (a) (i))	2,412.5	9,438.3
<b>Unsecured</b>		
<b>Debentures</b>		
8.45% unsecured rated listed taxable redeemable Non-convertible	-	9,893.2
Debentures (NCDs) (refer note 19 (c) (b) (i))		
	<b>2,412.5</b>	<b>19,331.5</b>
<b>(b) Current borrowings:</b>		
<b>Secured</b>		
<b>From banks :</b>		
Rupee loans (refer note 19 (c) (a) (ii))	8,514.1	-
<b>Unsecured</b>		
Rupee loans (refer note 19 (c) (b) (ii))	11,300.0	-
<b>Current maturities of non-current borrowings</b>		
Foreign currency loans (refer note 19 (c) (a) (i))	7,413.4	15,941.4
<b>Unsecured</b>		
<b>Debentures</b>		
8.45% unsecured rated listed taxable redeemable Non-convertible	10,489.0	591.3
Debentures (NCDs) (refer note 19 (c) (b) (i))		
	<b>37,716.5</b>	<b>16,532.7</b>

Non-current borrowings are disclosed net of unamortised finance cost of ₹53.5 Lakhs (31<sup>st</sup> March, 2024: ₹138.8 Lakhs)

The above balance also includes interest accrued but not due amounting to ₹674.7 lakhs as at 31<sup>st</sup> March, 2025 and ₹723.0 lakhs as at 31<sup>st</sup> March, 2024.

### OTHER REGULATORY INFORMATION

The Company files monthly / quarterly statement for its current assets with banks. Further, pursuant to subsequent adjustment if any post closures of yearly books and statutory audit, the Company files the revised return with the updated amounts at the year end.

The charges or satisfaction on the assets of the Company are registered with Registrar of Companies within the statutory period. The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies (ROC) beyond statutory period.

The Company has used the borrowings obtained from banks and financial institutions for the specific purpose for which they were taken during the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority during the current year and previous year.

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (c) Security details and repayment schedule

Security	Instalment start date	Last Instalment Payable on	Terms of Repayment	Effective Interest Rate p.a.	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
					Current	Non-Current	Current	Non-Current
<b>a) SECURED</b>								
<b>i) Foreign currency term loans / ECBs from banks</b>								
Secured by a first pari passu charge on all the movable property, plant and equipment both present and future situated at Roha, Mahad, Dist. Raigad and Ambadvet (Sutarwadi), Amralewadi, Dist. Pune and further secured by way of mortgage by first pari passu charge on the immovable properties of the Company situated at Roha, Mahad, Dist. Raigad and Ambadvet (Sutarwadi), Amralewadi, Dist. Pune								
The bankers are:								
State Bank of India (Loan drawn USD 22 Mn)	27-Sep-21	27-Sep-25	17 equal quarterly instalments	3 month SOFR + 1.40% + 0.26%	2,197.1	-	4,320.8	2,119.3
State Bank of India (Loan drawn USD 40 Mn)	27-May-21	31-Aug-25	18 equal quarterly instalments	3 month SOFR + 1.50% + 0.26%	1,924.3	-	8,359.0	1,835.5
Axis Bank Limited (Loan drawn USD 13.23 Mn)	30-Sep-23	31-Dec-26	14 equal quarterly instalments	6 month SOFR + 1.25% + 0.4286%	3,292.0	2,412.5	3,261.6	5,483.5
<b>ii) Working capital loans repayable on demand from banks / Loan repayable within 12 months</b>								
Working Capital Borrowings from Bank of Maharashtra, ICICI Bank Limited and State Bank of India are secured by first pari passu charge by hypothecation of stock-in-trade, book debts and receivables. These are further secured by second charge on the immovable and movable properties of the Company situated at Roha, Mahad, Dist. Raigad and Ambadvet, Amralewadi, Dist. Pune by registered mortgage.		1-3 months	15 to 90 days	6.90% to 8.45%	8,514.1	-	-	-

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Security	Instalment start date	Last Instalment Payable on	Terms of Repayment	Effective Interest Rate p.a.	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
					Current	Non-Current	Current	Non-Current
<b>b) UNSECURED</b>								
<b>i) Non convertible debentures</b>								
8.45% p.a unsecured rated listed taxable redeemable Non-convertible Debentures (NCDs).*	18-Jul-25	18-Jul-25	Bullet payment after 3 years	8.45%	10,489.0	-	591.3	9,893.2
<b>ii) Working capital loans repayable on demand from banks / Loan repayable within 12 months</b>								
The Banker is		1-3 months						
HDFC Bank Limited			7 to 90 days	7.65% to 7.85%	11,300.0	-	-	-
Axis Bank Limited								
Federal Bank Limited								
					<b>37,716.5</b>	<b>2,412.5</b>	<b>16,532.7</b>	<b>19,331.5</b>
<b>The bifurcation of total borrowings is as follows:</b>								
Non-current borrowings					-	2,412.5	-	19,331.5
Current borrowings					19,814.1	-	591.3	-
Current maturities of non-current borrowings					17,902.4	-	15,941.4	-
					<b>37,716.5</b>	<b>2,412.5</b>	<b>16,532.7</b>	<b>19,331.5</b>

\*Subsequently repaid on 18<sup>th</sup> July, 2025

### (d) Assets pledged as security

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
Non Current	Current	Non-Current	Current	Non-Current
Property, plant and equipment		94,131.3		1,00,253.9
<b>Current</b>				
Inventories		35,081.3		31,343.4
Trade receivables		67,902.0		52,483.6

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 20 TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total outstanding dues of micro enterprises and small enterprises; (refer note 41)	2,196.5	2,954.2
Total outstanding dues of creditors other than micro enterprises and small enterprises	47,040.2	41,055.0
	<b>49,236.7</b>	<b>44,009.2</b>
Trade payable to:		
(i) Related parties (refer Note 48)	523.0	914.7
(ii) Others	48,713.7	43,094.5
	<b>49,236.7</b>	<b>44,009.2</b>

Following is the ageing schedule for trade payables

As at 31<sup>st</sup> March, 2025

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises (Undisputed)	43.7	2,152.8	-	-	-	-	2,196.5
Total outstanding dues of creditors other than micro enterprises and small enterprises (Undisputed)	5,419.9	33,830.2	7,070.0	326.2	348.3	45.6	47,040.2
Total outstanding dues of micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
<b>Total</b>	<b>5,463.6</b>	<b>35,983.0</b>	<b>7,070.0</b>	<b>326.2</b>	<b>348.3</b>	<b>45.6</b>	<b>49,236.7</b>

As at 31<sup>st</sup> March, 2024

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises (Undisputed)	-	2,932.8	21.4	-	-	-	2,954.2
Total outstanding dues of creditors other than micro enterprises and small enterprises (Undisputed)	3,036.7	30,423.3	6,832.5	465.7	240.2	56.6	41,055.0
Total outstanding dues of micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
<b>Total</b>	<b>3,036.7</b>	<b>33,356.1</b>	<b>6,853.9</b>	<b>465.7</b>	<b>240.2</b>	<b>56.6</b>	<b>44,009.2</b>

\* Unbilled represents accrual for expenses.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are generally settled on 60 to 90 days terms.

- For terms and conditions with related parties, refer note 48.

For the Company's credit risk management processes, refer note 49.

### 21 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
Security deposit	339.3	161.3
	<b>339.3</b>	<b>161.3</b>
<b>(b) Current:</b>		
Unclaimed dividend (as and when due) ***	368.4	595.6
Unpaid matured deposits including interest thereon (refer note 42)	11.3	13.2
Other payable to subsidiaries	704.7	902.6
Payable for capital goods *	345.8	340.2
Employee dues	1,787.2	2,258.5
Commission payable to directors	1,326.6	90.0
Other liabilities **	294.2	368.1
	<b>4,838.2</b>	<b>4,568.2</b>

\* Includes amount payable to MSME parties amounting to ₹41.0 lakhs as at 31<sup>st</sup> March, 2025 (31<sup>st</sup> March, 2024: ₹1.6 lakhs)

\*\* Includes amount payable towards miscellaneous customer deposits

\*\*\* Unclaimed dividend does not include amount due and outstanding, to be credited to the Investor Education and Protection Fund

### 22 DERIVATIVE INSTRUMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current:</b>		
<b>Derivatives not designated as hedges (FVTPL)</b>		
Foreign currency forward contracts	353.8	82.0
	<b>353.8</b>	<b>82.0</b>

Note: Refer note 51 for hedging activities and note 49 for foreign currency risk management.

### 23 PROVISIONS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
<b>Provision for employee benefits (refer note 40)</b>		
Provision for pension	1,412.0	1,175.5
Provision for gratuity	1,306.5	1,029.1
Provision for compensated absences	878.8	780.9
	<b>3,597.3</b>	<b>2,985.5</b>
<b>(b) Current:</b>		
<b>Provision for employee benefits (refer note 40)</b>		
Provision for pension	194.0	176.3
Provision for compensated absences	175.1	117.6
	<b>369.1</b>	<b>293.9</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 24 OTHER LIABILITIES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
Deferred government grant *	107.1	302.8
	<b>107.1</b>	<b>302.8</b>
<b>(b) Current:</b>		
Statutory dues #	1,021.3	522.3
Deferred government grant *	62.0	177.8
Contract liabilities (advances from customers)**	502.4	298.5
Other liabilities	12.4	34.6
	<b>1,598.1</b>	<b>1,033.2</b>

\* The Company has availed import duty exemption under Export Promotion Capital Goods ("EPCG") scheme, EPCG scheme is a scheme which allows an exporter to import of capital goods including spares for pre-production, production and post-production at zero Customs duty, for exports. As per the scheme, the Company has undertaken export obligation amounting to 6 times of the amount saved on duty on the capital goods.

# Includes payable with respect to Goods & Services Tax, Local Body Tax, Grampanchayat Tax, Withholding Taxes, Provident Fund etc.

#### \*\* Contract liabilities

The Company has received ₹502.4 lakhs as at 31<sup>st</sup> March, 2025, (₹296.5 lakhs as at 31<sup>st</sup> March, 2024) as contract liabilities (advance from customers), these liabilities are derecognised once the supply of goods are made.

### 25 INCOME AND DEFERRED TAXES

The major components of income tax expense for the years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024 are :

#### A Statement of Profit and Loss :

Profit and loss section	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Current income tax :</b>		
Tax on Exceptional items	-	6,811.6
Current income tax charge	5,125.7	2,048.3
<b>Adjustment in respect of current income tax of previous year</b>	225.3	-
<b>Deferred tax :</b>		
Relating to origination and reversal of temporary differences	(34.8)	1,484.2
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>5,316.2</b>	<b>10,344.1</b>
<b>OCI section</b>	<b>Year ended 31<sup>st</sup> March, 2025</b>	<b>Year ended 31<sup>st</sup> March, 2024</b>
<b>Deferred tax related to items recognised in OCI:</b>		
Tax (charge) / reversals on net movement on effective portion of cash flow hedges	166.1	(149.2)
Tax (charge) / reversals on re-measurement of defined benefit plans	82.8	47.3
<b>Income tax (charge) / reversals to OCI</b>	<b>248.9</b>	<b>(101.9)</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

<b>Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024</b>	<b>Year ended 31<sup>st</sup> March, 2025</b>	<b>Year ended 31<sup>st</sup> March, 2024</b>
Accounting profit before exceptional items and tax from operations	21,235.0	12,690.5
Applicable income tax rate of 25.168% (31 <sup>st</sup> March, 2025: 25.168%)	5,344.8	3,194.2
Tax adjustment for earlier years - Deferred Tax - Others	41.4	158.4
Other disallowances (CSR, donations, etc.)	(295.3)	179.9
Adjustment in respect of income tax expense of earlier years	225.3	-
<b>Income tax expense reported in the Statement of Profit and Loss excluding Exceptional items</b>	<b>5,316.2</b>	<b>3,532.5</b>

### B Major components of deferred tax as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024:

<b>Deferred tax liability (net)</b>	<b>Balance Sheet</b>	
	<b>As at 31<sup>st</sup> March, 2025</b>	<b>As at 31<sup>st</sup> March, 2024</b>
<b>Deferred tax relates to the following:</b>		
<b>Deferred tax liability :</b>		
Accelerated depreciation for tax purposes	7,702.3	7,558.5
Other deductible temporary differences	770.2	1,104.2
<b>Deferred tax assets :</b>		
Allowance for expected credit loss	(367.7)	(278.6)
Expenditure allowed on actual payment	(874.0)	(869.6)
<b>Net deferred tax liabilities</b>	<b>7,230.8</b>	<b>7,514.5</b>

### C Major components of deferred tax (credit) / expense for the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024:

<b>Deferred tax (credit) / expenses</b>	<b>Statement of Profit and Loss &amp; Other comprehensive income</b>	
	<b>Year ended 31<sup>st</sup> March, 2025</b>	<b>Year ended 31<sup>st</sup> March, 2024</b>
<b>Deferred tax relates to the following:</b>		
Accelerated depreciation for tax purposes	143.8	996.3
Other deductible temporary differences	(334.0)	348.6
Allowance for expected credit loss	(89.1)	(2.4)
Carried forwarded tax loss	-	580.2
Expenditure allowed on actual payment	(4.4)	(336.6)
<b>Deferred tax (credit) / expenses</b>	<b>(283.7)</b>	<b>1,586.1</b>
<b>Reflected in the Balance Sheet as follows</b>	<b>As at 31<sup>st</sup> March, 2025</b>	<b>As at 31<sup>st</sup> March, 2024</b>
Deferred tax assets	(1,241.7)	(1,148.2)
Deferred tax liabilities	8,472.5	8,662.7
<b>Deferred tax liabilities (net)</b>	<b>7,230.8</b>	<b>7,514.5</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Closing balance of deferred tax for the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024

Reconciliation of deferred tax liabilities (net)	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Opening balance	7,514.5	5,928.4
Tax expense/(credit) during the period recognised in the Statement of Profit and Loss	(34.8)	1,484.2
Tax expense/(credit) during the period recognised in OCI	(248.9)	101.9
<b>Closing balance</b>	<b>7,230.8</b>	<b>7,514.5</b>

D There is no such transaction which is not recorded in the books of accounts and 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).

### E Income tax assets / liabilities (net) (recoverable/ payable on account of open assessment of Income Tax)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current tax assets (net):</b>		
Income tax assets	25,891.5	11,843.3
Income tax liabilities	24,942.3	10,731.9
<b>Net income tax assets</b>	<b>949.2</b>	<b>1,111.4</b>
<b>(b) Current tax liabilities (net):</b>		
Income tax liabilities	14,700.6	23,559.9
Income tax assets	14,693.9	23,510.1
<b>Net income tax liabilities</b>	<b>6.7</b>	<b>49.8</b>

## 26 REVENUE FROM OPERATIONS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Revenue from contract with customers	2,50,343.5	2,11,696.6
Other operating revenues		
Government grants (export incentives)	2,077.5	1,658.3
Miscellaneous operating income #	973.5	788.0
	<b>3,051.0</b>	<b>2,446.3</b>
<b>Total revenue from operations</b>	<b>2,53,394.5</b>	<b>2,14,142.9</b>

# Miscellaneous operating income includes sale of by products and sale of manufacturing scrap.

Below is the disclosure as required under Ind AS 115 - "Revenue from Contracts with Customers".

### (a) Revenue streams

The Company generates revenue primarily from the sale of pigments. Other sources of revenue include income from export incentives, sale of manufacturing scrap and by products, etc.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Sale of products	2,50,343.5	2,11,696.6
Other operating revenues	3,051.0	2,446.3
	<b>2,53,394.5</b>	<b>2,14,142.9</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (b) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and timing of revenue recognition.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Major product lines</b>		
Sale of pigments	2,50,343.5	2,11,696.6
<b>Total</b>	<b>2,50,343.5</b>	<b>2,11,696.6</b>
<b>Primary geographical market</b>		
In India	1,22,970.0	1,15,155.8
Outside India	1,27,373.5	96,540.8
<b>Total</b>	<b>2,50,343.5</b>	<b>2,11,696.6</b>
<b>Timing of revenue recognition</b>		
Products transferred at point in time	2,50,343.5	2,11,696.6
<b>Total</b>	<b>2,50,343.5</b>	<b>2,11,696.6</b>

### (c) Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Revenue from operations</b>	2,53,394.5	2,14,142.9
<b>Less: Adjustments</b>		
Government grants (export incentives)	2,077.5	1,658.3
<b>Revenue from contract with customers</b>	<b>2,51,317.0</b>	<b>2,12,484.6</b>
Add: Sales returns	1,640.8	1,149.6
Add: Commission*	1,759.9	1,665.4
Add: Others (including rebate and adjustments of hedge)*	1,261.2	217.6
	<b>4,661.9</b>	<b>3,032.6</b>
<b>Revenue as per contracted price</b>	<b>2,55,978.9</b>	<b>2,15,517.2</b>

\*Commission and Rebate are paid to the customers who are acting on principal to principal basis.

### (d) Contract balances

The following table provides information about trade receivables and contract liabilities from contracts with customers.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Trade receivables	67,902.0	52,483.6
Contract liabilities (advance from customers)	502.4	298.5

The receivable is net of provision for expected credit losses as recognised in accordance with the provisions of Ind AS 109 amounting to ₹1,460.8 lakhs (Previous year ₹1,043.3 lakhs).

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Revenue recognised from amount included in contract liabilities at the beginning of the year	298.5	442.8
	<b>298.5</b>	<b>442.8</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 27 OTHER INCOME

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Interest income on		
Bank deposits and other deposits	93.7	13.4
Others (on refunds of taxes and on delayed payments from customers)	234.8	387.9
Dividend on preference shares	354.9	-
Liabilities no longer required, written back	75.2	75.4
Net gain on sale of financial instruments	1,075.0	833.5
Other non-operating income		
Net gain on fair valuation of financial instruments (FVTPL)	38.8	38.8
Income on financial guarantees	262.9	88.4
Gain on sale / disposal of property plant and equipment (net)	87.1	10.0
Refund of stamp duty	190.2	-
Miscellaneous income *	633.0	292.0
	<b>3,045.6</b>	<b>1,739.4</b>

\* Miscellaneous income majorly includes rental income, profit on sale of investment in subsidiary, cross charge to subsidiaries and sundry recoveries.

### 28 COST OF MATERIALS CONSUMED

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Inventory at the beginning of the year (refer note 10)	9,380.3	11,931.6
Add : Purchases	1,45,121.7	1,17,533.8
	<b>1,54,502.0</b>	<b>1,29,465.4</b>
Less: Inventory at the end of the year (refer note 10)	10,587.5	9,380.3
<b>Cost of materials consumed</b>	<b>1,43,914.5</b>	<b>1,20,085.1</b>

### 29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Inventory at the end of the year (refer note 10)</b>		
Finished goods	14,294.8	12,703.0
Work-in-progress	6,583.8	5,785.3
	<b>20,878.6</b>	<b>18,488.3</b>
<b>Inventory at the beginning of the year (refer note 10)</b>		
Finished goods	12,703.0	15,882.3
Work-in-progress	5,785.3	6,014.4
	<b>18,488.3</b>	<b>21,896.7</b>
<b>Changes in inventory:</b>		
Finished goods	(1,591.8)	3,179.3
Work-in-progress	(798.5)	229.1
	<b>(2,390.3)</b>	<b>3,408.4</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 30 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Salaries, wages and bonus (including directors remuneration)	14,887.0	12,937.5
Contribution to provident and other funds *	637.2	642.3
Gratuity expense (refer note 40)	197.4	199.4
Share based payment expenses (refer note 50)	-	126.1
Staff welfare expenses	1,149.4	841.7
	<b>16,871.0</b>	<b>14,747.0</b>

\* Includes contribution towards Employee State Insurance Scheme, Superannuation and National Pension Scheme.

#### The Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employees benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3<sup>rd</sup> May, 2023. However, the final rules / interpretation have not yet been issued. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

### 31 FINANCE COSTS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Interest expenses on bank facilities	2,552.1	2,614.3
Interest expenses on lease liabilities (refer note 5)	178.2	123.2
Other borrowing costs *	99.3	133.2
	<b>2,829.6</b>	<b>2,870.7</b>

\* Includes charges for guarantees, loan processing fees etc.

### 32 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Depreciation on property, plant and equipment (refer note 3)	12,957.6	12,624.5
Amortisation on intangible assets (refer note 4)	785.0	778.7
Depreciation on right-of-use assets (refer note 5)	327.2	286.1
	<b>14,069.8</b>	<b>13,689.3</b>

### 33 OTHER EXPENSES

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Consumption of stores and spares	3,805.6	3,053.6
Consumption of packing material	3,076.3	2,671.3
Power and fuel	17,470.8	14,993.5
Water charges	1,331.7	1,197.8
Contract labour charges	5,837.6	5,254.9
Rent (refer note 5)	130.5	240.5
Repairs and maintenance		
- Plant and machinery	3,660.3	3,224.4
- Buildings	784.6	595.0
- Others	169.9	160.0
Insurance	873.4	782.2

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Rates and taxes (excluding taxes on income)	203.9	193.0
Advertisement	422.4	256.6
Auditors' remuneration (refer note 34)	263.1	68.2
Bad debts written-off	30.6	126.7
Impairment losses on financial instruments	417.6	(54.1)
Bank charges	137.9	98.8
Commission to selling agents	446.5	763.2
Freight and forwarding expenses	5,722.2	3,976.1
Directors' sitting fees	38.3	21.6
Foreign exchange loss (net) *	1,482.6	962.9
Consumables related to IT hardware	708.2	573.3
Legal, professional and consultancy charges	5,605.6	3,476.2
Printing, stationery and communication expenses	578.0	410.0
Travelling and conveyance	878.8	551.4
Cost recharge from subsidiaries	822.5	875.1
Expenditure towards Corporate Social Responsibility (refer note 37)	204.6	239.8
Directors' commission	93.0	93.3
Environmental and treatment cost	2,736.0	1,834.9
Miscellaneous expenses **	1,978.0	1,751.1
	<b>59,910.5</b>	<b>48,391.3</b>

\* Includes mark to market (gain) / loss on derivatives amounting to (₹ 524.4 lakhs) (Previous Year ₹ 257.2 lakhs)

\*\* Miscellaneous expenses mainly includes cost related to laboratory expenses and incidental equipment hire charges.

### 34 AUDITORS' REMUNERATION

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
As auditor		
Audit fees	218.6	38.0
Limited review fees	25.6	23.0
Other services (includes certification fee)*	121.4	2.3
Reimbursement of expenses	3.9	4.9
Less:	<b>369.5</b>	<b>68.2</b>

\* The above payment to auditor's remuneration includes amount paid for issue of equity shares through qualified institutional placement, which has been included in transaction cost on issue of equity shares in note 16(h).

### 35 CAPITALISATION OF EXPENDITURE

In accordance with Ind AS 16, Ind AS 38 and Ind AS 23 the Company has capitalised directly attributable expenses as property, plant and equipment / capital work-in-progress (CWIP) and Intangible assets. Accordingly, expenses disclosed under the respective notes are net of amount capitalised by the Company. Expenses capitalised are as follows:

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Other expenses*	84.7	253.0
	<b>84.7</b>	<b>253.0</b>

\* Includes power & fuel and water charges

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 36 RESEARCH AND DEVELOPMENT EXPENDITURE

This includes expenditure incurred by the Company on in-house research and development in respect of eligible facilities at Roha, Pune and Mahad approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Revenue Expenditure	2,592.2	2,502.8
Capital Expenditure	656.4	511.2
	<b>3,248.6</b>	<b>3,014.0</b>

### 37 AMOUNT SPENT TOWARDS CORPORATE SOCIAL RESPONSIBILITY

The Company is covered under Section 135 of the Companies Act 2013, and is required to contribute towards activities eligible under Section 135 of The Companies Act, 2013 read with Schedule VII thereto. Company's CSR activities for ongoing projects are (a) promotion of education and enhancing vocational skills, (b) eradication of hunger and promoting hygiene, (c) promotion of sports, (d) protection of national heritage and promotion and development of traditional arts, (e) promotion of gender equality, and (f) other infrastructure that would help meet the objectives of environmental sustainability such as waste management, vermi-culture, organic farming, etc.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
a) Gross amount required to be spent by the Company during the year	202.4	230.4

b) An amount of ₹ 202.5 lakhs (Previous Year: ₹ 234.8 lakhs) was approved by the board towards CSR activities for the year ended 31<sup>st</sup> March, 2025.

c) Amount spent during the year ended on	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above (in cash)	204.6	239.8

d) For details of CSR expenditure incurred toward related parties refer to note 48.

#### e) Details of ongoing projects and other than ongoing projects

Particulars		Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Opening balance (balance of excess amount spent from previous years)			
- with Company	(a)	11.9	2.5
- in separate unspent CSR a/c		-	-
Amount required to be spent during the year (Net of previous year (short) / excess)	(b)	190.5	227.9
Amount spent during the year:			
- From Company's bank a/c	(c)	204.6	239.8
- From separate unspent CSR a/c		-	-
(Short) / excess CSR spend for the year	(d)	14.1	11.9
Closing balance			
- with Company		14.1	11.9
- in separate unspent CSR a/c		-	-

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 38 EARNINGS PER SHARE

Particulars		Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Profit for the year	(A)	14,097.4	33,512.4
Equity shares outstanding at the beginning of the year		6,92,27,250	6,92,27,250
Add: Equity shares issued through preferential issue (allotment date:13 <sup>th</sup> January, 2025)		18,69,000	-
Add: Equity shares issued through qualified institutional placement (allotment date:29 <sup>th</sup> January, 2025)		74,76,635	-
Equity shares outstanding at the end of the year		7,85,72,885	6,92,27,250
Weighted average number of equity shares outstanding at the end of the year	(B)	7,08,96,656	6,92,27,250
Add: Dilutive impact of employee stock options		88,963	98,030
Add: Dilutive impact of share warrants		611	-
Weighted average number of equity shares adjusted for the effect of dilution	(C)	7,09,86,230	6,93,25,280
Nominal value per equity share (in ₹)		2.0	2.0
Basic (in ₹) (after exceptional items)	(A/B)	19.9	48.4
Diluted (in ₹) (after exceptional items)	(A/C)	19.9	48.3

### 39 COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI for each type of reserve in equity is shown below :

As at 31<sup>st</sup> March, 2025

Particulars	Effective portion of cash flow hedge	Retained earnings	Total
Net movement on effective portion of cash flow hedge (net of tax)	1,406.3	-	1,406.3
Re-measurement gains / (losses) on defined benefit plans (net of tax)	-	(273.2)	(273.2)
	<b>1,406.3</b>	<b>(273.2)</b>	<b>1,133.1</b>

As at 31<sup>st</sup> March, 2024

Particulars	Cash flow hedge reserve	Retained earnings	Total
Net movement on effective portion of cash flow hedge (net of tax)	(129.2)	-	(129.2)
Re-measurement gains / (losses) on defined benefit plans (net of tax)	-	(140.7)	(140.7)
	<b>(129.2)</b>	<b>(140.7)</b>	<b>(269.9)</b>

### 40 EMPLOYEE BENEFIT OBLIGATIONS

#### A Defined Contribution Plans

In accordance with the law, all employees of the Company are entitled to receive the benefits under the Provident Fund Act. Company's contribution paid / payable during the year to provident fund and labour welfare fund are recognised in the Statement of Profit and Loss. The Company makes contributions to the Superannuation Scheme for employee who have opted, a defined contribution scheme administered by Life Insurance Corporation of India, which are charged to the Statement of Profit and Loss. The Company has no obligation to the scheme beyond its annual contributions.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Employer's contribution to Provident Fund and other funds	623.1	625.9
Employer's contribution to Superannuation Fund	14.1	16.4
	<b>637.2</b>	<b>642.3</b>

### B Defined Benefit Plans

#### I Gratuity

##### Funded Scheme :

The Company has a defined benefit gratuity plan for its employees and every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. An employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service. The scheme is funded with insurance companies in the form of qualifying insurance policies. The Company accounts for liability of such future benefits based on an independent actuarial valuation on projected accrued credit method carried out for assessing the liability as on the reporting date.

##### Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, as the Company take on uncertain long-term obligations to make future benefit payments.

**The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in Balance Sheet for the plan.**

Net employee benefit expense on account of gratuity recognised in employee benefit expenses (includes net employee benefit of discontinued operations, if any).

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Current service cost	197.4	199.4
Net interest (income) / expense	60.2	56.6
<b>Net expense</b>	<b>257.6</b>	<b>256.0</b>

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

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Defined benefit obligation as at the beginning of the year	3,000.1	2,911.6
Interest cost	203.4	209.0
Current service cost	197.4	199.4
Benefit payments from plan assets	(260.0)	(212.4)
<b>Re-measurement (gain) / loss in other comprehensive income (OCI)</b>		
Actuarial (gain) / loss - Experience	(5.4)	(151.4)
Actuarial (gain) / loss - Financial	68.2	43.9
Actuarial (gain) / loss - Demographic	(12.4)	-
<b>Defined benefit obligation as at the end of the year</b>	<b>3,191.3</b>	<b>3,000.1</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

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

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Fair value of plan assets at the beginning of the year	1,971.0	2,026.0
Expected returns on plan assets	143.2	152.4
Employer contributions	7.4	44.9
Benefits paid	(260.0)	(212.4)
<b>Re-measurement gain / (loss) in other comprehensive income (OCI)</b>		
Actuarial gain / (loss) - Experience	23.3	(39.9)
<b>Fair value of plan assets at the end of year</b>	<b>1,884.9</b>	<b>1,971.0</b>

As at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024 plan assets were 100% invested in insurer managed funds.

Re-measurements for the period (Actuarial (gain) / loss)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
(Gain) / loss on defined benefit obligation - Experience	(5.4)	(151.4)
(Gain) / loss on defined benefit obligation - Financial	68.2	43.9
(Gain) / loss on defined benefit obligation - Demographic	(12.4)	-
(Gain) / loss on plan assets - Experience	(23.3)	39.9
<b>Amount recognised in the statement of OCI</b>	<b>27.1</b>	<b>(67.6)</b>

Net defined benefit liability / (asset) at the end of the year

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Defined benefit obligation	3,191.3	3,000.1
Fair value of plan assets	1,884.9	1,971.0
<b>Closing net defined benefit liability / (asset)</b>	<b>1,306.4</b>	<b>1,029.1</b>

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

### Demographic Assumptions

**Mortality:** Mortality for all periods has been assumed to be as per Indian Assured Lives Mortality (2012-14).

### Attrition:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Employee turnover		
age upto 30 years	18%	6%
age 31- 45 years	10%	4%
age above 45 years	2%	2%
Retirement age*	58-80 years	58-80 years
*Wholetime Directors 80 years and others 58 years		

### Financial assumptions

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate	6.7%	7.2%
Expected rate of increment in compensation levels	7% to 8%	7% to 8%

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

A quantitative sensitivity analysis for significant assumptions is as shown below:

Assumptions	Defined benefit obligation			
	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate	(126.1)	138.0	(141.5)	157.0
Expected rate of increment in compensation levels	149.0	(138.7)	167.9	(154.1)

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.

There is no change in the method from the previous period and the points / percentage by which the assumptions are stressed are same to that in the previous year.

The assumptions for mortality and attrition do not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sensitivity analysis.

### Risk Exposure

The gratuity scheme is a salary defined benefit plan that provides for lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.
- Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following is the maturity profile of undiscounted defined benefit obligation:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Within the next 12 months	480.6	366.9
Between 2 and 5 years	2,184.7	1,887.0
Beyond 5 years	1,787.8	2,467.5

Expected contribution by the Company for the next year: ₹ 480.6 lakhs

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is 7.5 years (Previous Year : 12.8 years).

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Composition of Plan Assets

Major categories of Plan Assets are as under:*	As at 31 <sup>st</sup> March 2025 Funded	As at 31 <sup>st</sup> March 2024 Funded
Life Insurance Corporation of India	1,884.9	1,971.0

\* Investment in Plan Assets are unquoted. In respect of LIC plan assets are invested by LIC as per their guidelines and no further details are available with the company.

## II Pension

The Company provides for Pension, a defined benefit retirement plan covering eligible employees. The Company accounts for liability of such future benefits based on an independent actuarial valuation on projected accrued credit method carried out for assessing the liability as on the reporting date.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in Balance Sheet for the plan.

Net employee benefit expense on account of pension recognised in employee benefit expenses :

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Current service cost	11.8	5.0
Net interest expense	91.2	81.7
<b>Net expense</b>	<b>103.0</b>	<b>86.7</b>

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

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Defined benefit obligation as at the beginning of the year	1,351.8	1,171.0
Interest cost	91.2	81.7
Current service cost	11.8	5.0
Benefit payments directly by employer	(177.7)	(161.5)
<b>Re-measurement (gain) / loss in other comprehensive income (OCI)</b>		
Actuarial loss - Experience	236.6	212.2
Actuarial loss - Financial	92.3	43.4
Actuarial loss - Demographic	-	-
<b>Defined benefit obligation as at the end of the year</b>	<b>1,606.0</b>	<b>1,351.8</b>

Re-measurements for the period (Actuarial (gain) / loss)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Loss on defined benefit obligation - Experience	236.6	212.2
Loss on defined benefit obligation - Financial	92.3	43.4
Loss on defined benefit obligation - Demographic	-	-
<b>Amount recognised in the statement of OCI</b>	<b>328.9</b>	<b>255.6</b>

Net defined benefit liability / (asset) for the period

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Defined benefit obligation	1,606.0	1,351.8
Fair value of plan assets	-	-
<b>Closing net defined benefit liability / (asset)</b>	<b>1,606.0</b>	<b>1,351.8</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The principal assumptions used in determining pension obligations for the Company's plan are shown below:

### Demographic Assumptions

**Mortality:** Mortality for all periods has been assumed to be as per Indian Assured Lives Mortality (2012-14)

### Financial assumptions

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate	6.7%	7.2%
Pension increase rate	10%	10%
Retirement age	80 years	80 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Defined benefit obligation			
	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate	(165.5)	207.8	(134.2)	167.9
Pension increase rate	199.6	(163.2)	162.2	(133.0)

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by changes.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

The assumption for mortality and attrition do not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sensitivity analysis.

The following is the maturity profile of undiscounted defined benefit obligation:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Within the next 12 months	194.0	176.3
Between 2 and 5 years	938.8	900.2
Beyond 5 years	1,562.1	1,420.1

### III Leave Encashment / Compensated Absences / Sick Leave

The leave obligations cover the Company's liability for sick leave, privilege leave and casual leave.

The amount of the provision to be settled within next 12 months is presented as current, since the Company does not have an unconditional right to defer the settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following table shows bifurcation of current and non-current provision for leave encashment.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Current leave obligations expected to be settled within the next 12 Months	175.1	117.6
Leave obligations expected to be settled beyond 12 months	878.8	780.9
	<b>1,053.9</b>	<b>898.5</b>

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of unutilised compensated absences and utilise it in the future periods or receive cash in lieu thereof as per Company policy. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The measurement of such obligation is based on actuarial valuation as at the Balance Sheet date carried out by qualified actuary on projected unit credit method carried out for assessing the liability as on the reporting date.

**The principal assumptions used in determining leave obligation for the Company are shown below:**

### Demographic Assumptions

**Mortality:** Mortality for all periods has been assumed to be as per Indian Assured Lives Mortality (2012-14).

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate	6.7%	7.2%
Expected rate of increment in compensation levels	7% - 8%	7% - 8%
Employee turnover		
age upto 30 years	18%	6%
age 31 - 45 years	10%	4%
age above 45 years	2%	2%
Leave availment	5%	5%
Retirement age*	58-80 years	58-80 years

\* Wholetime Directors 80 years and others 58 years

### 41 DETAILS OF DUE TO MICRO AND SMALL ENTERPRISE AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024
Principal amount due to suppliers under MSMED Act, 2006 *	2,196.5	2,954.2
Payment made to suppliers (other than interest) beyond the appointed day, during the year	1,085.5	4,561.8
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	6.4	24.7
Interest paid to suppliers under MSMED Act, 2006 (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, 2006 (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, 2006 for the payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	146.5	140.1

The identification of suppliers under "Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company.

\* Includes dues to payable for purchase of capital goods ₹ 41.0 lakhs as at 31<sup>st</sup> March, 2025 and ₹ 1.6 lakhs as at 31<sup>st</sup> March, 2024.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 42 DEPOSITS (ACCEPTED UNDER SECTION 76(1) OF THE COMPANIES ACT, 2013)

Particulars	As At 31 <sup>st</sup> March, 2025	As At 31 <sup>st</sup> March, 2024
(a) Deposits with maturity less than 12 months	-	-
(b) Deposits with maturity more than 12 months	-	-
(c) Unclaimed matured deposits	11.3	13.2
	<b>11.3</b>	<b>13.2</b>

### 43 DISCLOSURE REQUIRED UNDER SEC. 186 (4) OF COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS, 2015

Amount of loan outstanding from subsidiaries / corporate guarantee / investment given on standalone basis and transactions during the year.

#### (a) Loans (Unsecured)

Year Ended 31<sup>st</sup> March, 2025

Name of the Company	Repayment Term	Given during the year	Maximum Outstanding	Repaid during the year	Rate of Interest	Purpose
Sudarshan Japan Limited	2 Year	-	161.8	161.8	7.35%	Working capital loans
Sudarshan Europe B.V.	1 Year	4,495.3	4,693.6	-	6.75%	For working capital loans and business expansion

Particulars

Year Ended 31<sup>st</sup> March, 2024

Name of the Company	Repayment Term	Given during the year	Maximum Outstanding	Repaid during the year	Rate of Interest	Purpose
Sudarshan Japan Limited *	2 Year	-	161.8	-	7.35%	Working capital loans
RIECO Industries Limited	3 Months	500.0	500.0	500.0	12.00%	Working capital loans

\* The period of loan to Sudarshan Japan Limited had been extended by 1 year during the financial year ended 31<sup>st</sup> March, 2024.

#### (b) Corporate guarantee given on behalf of subsidiaries / step-down subsidiaries

Name of the Company	Foreign Currency	Opening Balance of Corporate Guarantees	Given during the year	Reduced during the year	Closing Balance of Corporate Guarantees	Purpose
Sudarshan Europe B.V.	EUR 33.5 Mn	-	31,023.7	-	31,023.7	Leasing Arrangement
Sudarshan Europe B.V.	EUR 181.0 Mn	5,392.2	1,62,064.0	-	1,67,620.5	For working capital loans and business expansion
RIECO Industries Limited.	-	12,600.0	-	600.0	12,000.0	Working capital loans

For further details of loans and guarantees given to related party refer note 48. For details of Investments made refer note 6.

\* Difference in the opening and closing balance is on account of change in the exchange rates.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (c) Investment

Name of the company	Purpose	Interest	As At 31 <sup>st</sup> March, 2025	As At 31 <sup>st</sup> March, 2024
Sudarshan Europe B.V.	Investment in preference shares	5.50%	73,959.3	-
			<b>73,959.3</b>	<b>-</b>

44 The disclosures under Ind AS 108 - Operating Segments have been included in the Consolidated Financial Statements and accordingly, not included in these financial statements. Refer note 47 of the Consolidated Financial Statements.

### 45 CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

#### (a) CAPITAL AND OTHER COMMITMENTS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>i. Capital commitments</b>		
Estimated value of contracts (purchase orders) remaining to be executed on capital account and not provided for (Net of advances of ₹ 270.2 lakhs (31 <sup>st</sup> March, 2024: ₹ 161.7 lakhs))	875.5	615.7
<b>ii. Other commitments</b>		
The Company has availed import duty exemption under Export Promotion Capital Goods ("EPCG") scheme, which allows an exporter to import of capital goods including spares for pre-production, production and post-production at zero Customs duty, for exports. As per the scheme, the Company has undertaken export obligation amounting to 6 times of the amount saved on duty on the capital goods. The Company has imported capital goods under the EPCG scheme to utilize the benefit of a zero or concessional customs duty rate. These benefits are subject to future export obligations at year end aggregate to ₹ 1,014.6 lakhs.		

#### (b) CONTINGENT LIABILITIES

##### Claims against the Company not acknowledged as debts

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Excise duty / Service tax demands - matters under dispute	507.1	507.1
GST / CST demands - matters under dispute (refer note iv)	10,805.6	2,275.5
Custom duty demands - matters under dispute	330.4	330.4
Direct Tax demands - matters under dispute	331.9	331.9
Electricity duty on Power Generation (refer note v)	3,235.6	2,810.4

- i The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Income Tax, Excise, Custom and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- ii It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums / authorities. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required in this regard.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- iii The Company does not expect any reimbursements in respect of the above contingent liabilities.
- iv The Company has received demand orders from the Goods and Services Tax (GST) Department pertaining to the fiscal years 2017-18 to 2020-21. These orders are appealable and the Company believes that it has a good case on all the points raised by the GST Department. Hence there is no impact on the financial, operation or other activities of the Company due to issuance of these Orders.
- v The Government of Maharashtra revised electricity duty payable on captive power generation ("CPP") vide notification dated 13<sup>th</sup> April, 2015 and accordingly MSEDCL issued a Circular no 214 dated 23<sup>rd</sup> April, 2015, the revised rates for CPP was revised to 120 paise per unit from 30 paise per unit. The rates for CPP increased by 4 times, which was very high, therefore the Captive Power Producers Association filed writ petition with Bombay High Court which has been admitted by High Court vide case No. WP/4963/2015 and WP/906/2017. The High Court passed interim stay order, subsequently during the last hearing held on 24<sup>th</sup> January, 2020, the bench passed the order to continue the interim stay granted previously. The Company has obtained an opinion from a subject-matter expert ('SME') on the Electricity Duty contingency. The matter is sub-judice with the Bombay High Court and the SME has opined that the Company has a good case of success in the proceedings.
- vi During the year ended March 31, 2025, the Company has applied for the amnesty scheme for specific eligible Cenvat related case (FY2015 -16 to FY 2016 -17) of which ₹ 28.0 lakhs is shown as contingent liabilities in the above disclosure.

### (c) OTHER LITIGATIONS

There are several other cases which has been determined as remote or has been provided in the books by the Company and hence not been disclosed above.

### (d) GUARANTEES EXCLUDING FINANCIAL GUARANTEES

The Company has given guarantees on behalf of Sudarshan Europe B.V., and RIECO Industries Limited for working capital requirement of the subsidiary companies. The Company has issued letter of support on behalf of its wholly own subsidiary RIECO Industries Limited. The management has considered the probability for outflow of the same to be remote. The Company has reviewed the financial position along with consideration of other factors of the entity to whom the guarantees are issued and has determined that the exposure of revocation of liability is remote. Hence these financial guarantees are not measured at fair value as per Ind AS 109 - Financial Instruments (Refer note 43). Other than this the Company has issued guarantees to Maharashtra Pollution Control Board, Maharashtra State Electricity Distribution Company Limited, Custom authorities and other authorities amounting to ₹ 645.0 lakhs (Previous Year 729.8 lakhs).

## 46 OTHER STATUTORY INFORMATION AS REQUIRED BY NOTIFICATION ISSUED BY MINISTRY OF CORPORATE AFFAIRS DATED 24TH MARCH, 2021 ON AMENDMENTS ON SCHEDULE III

- (a) There are no loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties (all of these to be identified as defined under Companies Act, 2013) either severally or jointly with any other person.
- (b) The Company does not hold any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (c) The company has transaction balance with below-mentioned companies struck-off under section 248 of The Companies Act, 2013 or section 560 of The Companies Act, 1956:

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Closing balances and nature of transactions

Name of struck off company	Nature of transactions with struck-off company	Balance Outstanding		Relationship with the struck off company
		As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	
Aspen Systems Private Limited	Trade payables	0.1	0.1	None
Prayag Polytech Private Limited	Trade receivables	484.0	484.0	None
NTB Hitech Ceramics	Trade payables	-	-	None
Rathi Mixers Private Limited	Others payables	-	-	None
Rathi Enterprises Private Limited	Others payables	-	-	None

- (d) The Company has not traded or invested in crypto currency or virtual currency during the financial year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.
- (e) (A) The Company has not advanced or loaned or invested funds, other than as disclosed below, to any persons or entities, 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.

Name of party	Relationship	Nature of Transaction	Date	Amount (in lakhs)	Name of ultimate beneficiaries	Relationship	Nature of Transaction	Date	Amount (in lakhs)
Sudarshan Europe B.V.	Subsidiary	Investment in preference shares	25-02-2025	₹ 36,400 (EUR 398.6)	Sudarshan Germany Horizons GmbH	Step down subsidiaries	Loan	03-03-2025	5,490.1 (EUR 60.0)
					Sudarshan Langelsheim PLT GmbH	Step down subsidiaries	Loan	03-03-2025	1,372.5 (EUR 15.0)

- (B) The Company has not received any fund from any persons or entities, 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.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 47 RATIOS BASED ON STANDALONE FINANCIAL STATEMENTS AND ADDITIONAL DISCLOSURES AS PER CLAUSE 52 (4) AND CLAUSE 52 (2) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ARE AS UNDER:

Particulars	Times/ Percentage	As At 31 <sup>st</sup> March, 2025	As At 31 <sup>st</sup> March, 2024	% Change	Comments where variance exceeds 25%
<b>a) Current Ratio</b> [(Current assets / current liabilities)]	Times	1.57	1.40	12.43%	
<b>b) Debt-Equity Ratio</b> [(Non-current borrowings + Current borrowings) / Net Worth (Equity share capital + Other equity - Capital reserve)]	Times	0.18	0.32	-44.49%	Betterment of ratio is due to improved operating performance and repayment of debt on account of regular repayments.
<b>c) Debt Service Coverage Ratio</b> [Net income is Profit for the year, before exceptional items (expense) / income, finance costs, depreciation and amortisation expense] [Debt obligations is maturity of non-current borrowings and interest payment for the quarter / twelve months ended ratios.] * Debt obligations excludes prepayments out of proceeds from exceptional items for the quarter / year ended 31 <sup>st</sup> March 2024.	Times	2.01	1.54	30.32%	Improvement in ratio is due to improved operating performance.
<b>d) Interest Service Coverage Ratio</b> [(Profit before exceptional items and tax + Depreciation and amortisation expense + Finance costs - Interest income - Dividend income) / Finance costs]	Times	13.24	10.05	31.70%	Betterment of ratio is due to improved operating performance and lower finance cost
<b>e) Return on Equity Ratio</b> [Profit for the year, before exceptional items (expense) / income / Average shareholder's equity]	Percentage	9.46%	9.57%	-1.15%	
<b>f) Inventory Turnover Ratio</b> [(Cost of materials consumed + Changes in inventories of finished goods and work-in-progress) / Average inventory] - (not annualised for the quarter)	Times	4.26	3.59	18.70%	
<b>g) Trade Receivables Turnover Ratio</b> [Sale of goods / Average trade receivables]	Times	4.16	4.48	-7.16%	
<b>h) Trade Payables Turnover Ratio</b> [Purchase of goods / Average trade payables]	Times	3.11	2.71	14.86%	

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Times/ Percentage	As At 31 <sup>st</sup> March, 2025	As At 31 <sup>st</sup> March, 2024	% Change	Comments where variance exceeds 25%
<b>i) Net capital turnover ratio</b> [Sale of goods / Working capital] (Working capital is current assets minus current liabilities)	Times	4.62	7.95	-41.89%	Higher current assets lead by higher receivables, inventories and liquid investments as against incremental revenue during the year.
<b>j) Net profit ratio</b> [(Profit for the quarter / year before exceptional items gain / (loss)) / Revenue from operations]	Percentage	6.28%	4.28%	46.78%	Betterment of ratio is due to improved operating performance.
<b>k) Return on Capital employed</b> [(Profit before exceptional items and tax + Finance costs) / Capital employed] (Capital employed is tangible net worth + Total debt + Deferred tax liability)	Percentage	8.87%	10.29%	-13.77%	
<b>l) Long term Debt to Working Capital</b> [(Non-current borrowings + Current maturities of non-current borrowings) / Net working capital (Current assets - Current liabilities excluding Current maturities of non-current borrowings)]	Times	0.28	0.83	-66.05%	Betterment of ratio is due to repayment of long term debt out of internal cash accruals.
<b>m) Total Debts to Total Assets ratio</b> [(Non-current borrowings + Current borrowings) / Total assets]	Percentage	11.90%	17.12%	-30.47%	Betterment of ratio is due to repayment of long term debt out of internal cash accruals.
<b>n) Bad debts to Account receivable ratio</b> [Bad debts written off / Average trade receivable]	Percentage	0.05%	0.30%	-83.05%	Reduced ratio on account of lower bad debts
<b>o) Current liability ratio</b> [Current liabilities / Total liabilities]	Percentage	84.90%	67.61%	25.57%	Higher Current Liabilities during the year on account of increase in loan repayment within one year
<b>p) Operating Margin</b> [(Profit before exceptional items and tax + Depreciation and amortisation expense + Finance costs (-) Other income) / Revenue from operations]	Percentage	13.85%	12.85%	7.76%	

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Times/ Percentage	As At 31 <sup>st</sup> March, 2025	As At 31 <sup>st</sup> March, 2024	% Change	Comments where variance exceeds 25%
<b>q) Asset coverage ratio on secured non - convertible debentures (NCDs)</b> [Total assets pledged for secured NCDs / Outstanding balance of secured NCDs]	Percentage	Not Applicable	Not Applicable		
<b>r) Debenture redemption reserve</b>	₹ in Lakhs	Not Applicable	Not Applicable		
<b>s) Return on Investment</b> [Net gain on sale of financial instruments / Average investments in mutual funds]	Percentage	7.30%	-		
<b>t) Net worth</b> [Equity share capital + Other equity - Capital reserve]	₹ in Lakhs	2,25,892.7	1,10,648.8	104.15%	Increase in networth is on account equity raised during the year and improvement in margins

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 48 RELATED PARTY TRANSACTION (AS PER IND AS 24 ON RELATED PARTY DISCLOSURES SPECIFIED UNDER SECTION 133 OF THE COMPANIES ACT 2013)

#### A List of Related Parties and description of relationship

##### (a) Key Management Personnel ("KMP")

- Mr. P. R. Rathi	Chairman (ceased as a Chairman and Non-Executive and Non-Independent Director with effect from close of business hours on 29th May, 2025)
- Mr. R. B. Rathi	Chairman and Managing Director (Appointed as a Chairman with effect from close of business hours on 29th May, 2025)
- Mr. A. Vij	Wholetime Director
- Mr. A. N. Rathi	Non-Executive - Non-Independent Director (ceased with effect from 14th February, 2025)
- Mr. D. N. Damania	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
- Mr. S. Padmanabhan	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
- Mr. S. K. Asher	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
- Mrs. R. F. Forbes	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
- Dr. Deepak Parikh	Non-Executive - Independent Director (Resigned as an Independent Director effective close of business hours on 2nd February, 2024)
- Mr. N. Raisinghani	Non-Executive - Independent Director
- Mrs. S. A. Panse	Non-Executive - Independent Director
- Mrs. S. Navandar	Non-Executive - Independent Director (appointed with effect from 2nd August, 2024)
- Mrs. A. Wakhlu	Non-Executive - Independent Director (appointed with effect from 2nd August, 2024)
- Ms. B. Batra	Non-Executive - Independent Director (appointed with effect from 2nd August, 2024)
- Mr. Nilkanth Natu	Chief Financial Officer
- Mr. Mandar Velankar	Company Secretary

##### (b) Close member of Key Management Personnel

- Mrs. R. R. Rathi	Wife of Mr. R. B. Rathi
- Mr. R. P. Rathi	Son of Mr. P. R. Rathi *
- Mrs. Jayashree Mantri	Sister of Mr. P. R. Rathi *
- Smt. K. B. Rathi	Mother of Mr. R. B. Rathi
- Mr. A. B. Rathi	Brother of Mr. R. B. Rathi
- Mrs. Meena Maheshwari	Sister of Mr. R. B. Rathi
- Mrs. S. P. Rathi	Wife of Mr. P. R. Rathi *
- Mrs. V. R. Rathi	Wife of Mr. R. P. Rathi
- Mrs. R. R. Agarwal	Daughter of Mr. P. R. Rathi *
- Mr. Rishab Agarwal	Husband of Mrs. R.R. Agarwal
- Mr. N. J. Rathi	Father of Mr. A.N. Rathi **
- Mrs. A. N. Rathi	Mother of Mr. A.N. Rathi **
- Mrs. A. A. Rathi	Wife of Mr. A. N. Rathi **
- Mrs. Rachna Biyani	Sister of A.N. Rathi **

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- |                       |                             |
|-----------------------|-----------------------------|
| - Ms. Smriti R. Rathi | Daughter of Mr. R. B. Rathi |
| - Ms. Tanvi R. Rathi  | Daughter of Mr. R. B. Rathi |
| - Mr. Armaan A. Rathi | Son of Mr. A. N. Rathi **   |
| - Mr. Rohan A. Rathi  | Son of Mr. A. N. Rathi **   |

\*ceased to be close member of KMP following the resignation of Mr. P. R. Rathi as a Chairman and Non-Executive and Non-Independent Director with effect from close of business hours on 29th May, 2025.

\*\*ceased to be close member of KMP following the resignation of Mr. A. N. Rathi as a Non-Executive and Non-Independent Director with effect from close of business hours on 14th February, 2025.

### (c) Subsidiary Companies and others

#### Direct Subsidiaries:

- Sudarshan Europe B.V.
- Sudarshan CSR Foundation \*\*

\*\* (Sudarshan CSR Foundation (CSR Foundation); a wholly owned subsidiary of Sudarshan Chemical Industries Limited (Company), is a "not for profit Company" under Section 8 of the Companies Act, 2013. The main objective of CSR foundation is to carry out CSR activities as per the CSR policies of the Company.)

- RIECO Industries Limited

#### Step-Down Subsidiaries

- Sudarshan North America, Inc.
- Sudarshan Mexico S. de R.L. de CV.
- Sudarshan (Shanghai) Trading Company Limited
- Sudarshan Japan Limited
- Sudarshan Brasil Ltda.\*
- Sudarshan Europe Management GmbH (Formerly known as Blitz F24-526 GmbH)\*\*\*
- Sudarshan Middle East General Trading L.L.C.#
- **Sudarshan Switzerland HLD2 AG (Formerly known as Heubach EBITO Chemieeteiligungen AG)#**
- **Sudarshan Switzerland HLD1 AG (Formerly known as Heubach Holding Switzerland AG)#**
- Heubach Colorants Middle East FZE\$ ##
- Heubach Colorants Argentina S.A.U.##
- Sudarshan Belgium SLO SRL (Formerly known as Heubach Colorants Belgium SRL)##
- Sudarshan Brasil MFG Ltda. (Formerly known as Heubach Colorants Brasil Ltda.)##
- Sudarshan Canada SLO Inc. (Formerly known as Heubach Colorants Canada Inc.)##
- Sudarshan Switzerland SLO AG (Formerly known as Heubach Colorants Switzerland AG)##
- Sudarshan Switzerland Consulting AG (Formerly known as Heubach Colorants Consulting Switzerland AG)##
- Sudarshan Chile Industria Química Limitada (Formerly known as Heubach Colorants Chile Industria Química Limitada)##
- Heubach Colorants Pigment Preparations (Tianjin) Ltd.##
- Heubach Colorants (Shanghai) Ltd.##
- Heubach Colorants Colombia S.A.S.##
- Heubach Colorants Iberica, S.L.U.##
- Heubach Colorants France SAS##
- Sudarshan UK SLO Ltd. (Formerly known as Heubach Colorants UK Ltd.)##
- P.T. Heubach Colorants Coatings Indonesia##
- P.T. Heubach Colorants Indonesia##
- Heubach Colorants India Limited##
- Sudarshan Italy SLO S.r.l. (Formerly known as Heubach Colorants Italy S.r.l.)##
- Sudarshan Japan MFG K.K. (Formerly known as Heubach Colorants Japan K.K.)##
- Heubach Colorants Korea Ltd.##
- Sudarshan Malaysia SLO Sdn. Bhd. (Formerly known as Heubach Colorants Malaysia Sdn. Bhd.)##
- Heubach Colorants Peru S.A.C.\$ ##
- Heubach Colorants Scandinavia AB\$ ##

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- Sudarshan Singapore SLO Pte. Ltd. (Formerly known as Heubach Colorants Singapore Pte. Ltd.)<sup>\*\*</sup>
- Sudarshan MFG (Thailand) Ltd. (Formerly known as Heubach Colorants (Thailand) Limited.)<sup>\*\*</sup>
- Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.Ş. (Formerly known as Heubach Colorants Turkey Boya Sanayi ve Ticaret A.S.)<sup>\*\*</sup>
- Heubach Colorants Taiwan Co., Ltd.<sup>\*\*</sup>
- Sudarshan Southern Africa MFG (Pty) Ltd. (Formerly known as Heubach Colorants Southern Africa (Pty) Ltd.)<sup>\*\*</sup>
- Heubach Europa EWIV<sup>\*\*</sup>
- **Heubach Colorants México, S.A. de C.V.**<sup>\*\*</sup>
- Heubach Colorants México Productos Químicos, S.A. de C.V.<sup>\*\*</sup>
- **Sudarshan Lux Holding S.à r.l (Formerly known as Heubach Holdings S.a r.l)**<sup>\*\*</sup>
- **Sudarshan USA HLD1 LLC (Formerly known as Heubach Holding USA LLC)**<sup>\*\*</sup>
- Sudarshan USA SLO LLC (Formerly known as Heubach Colorants USA LLC)<sup>\*\*</sup>
- **Heubach Colour Private Limited**<sup>\*\*</sup>
- Sudarshan Osaka SLO K.K. (Formerly known as Heubach Japan K.K.)<sup>\*\*</sup>
- Heubach Pigments Private Limited<sup>\*\*</sup>
- Heubach Research Centre s.r.o<sup>\*\*</sup>
- Heubach Foundation<sup>\*\*</sup>
- **Sudarshan Germany Horizons GmbH (Formerly known as Blitz F24-522 GmbH)**<sup>\*\*</sup>
- Inventories Frankfurt GmbH<sup>\*\*</sup>
- VP4 Frankfurt GmbH<sup>\*\*</sup>
- Inventories Langelsheim GmbH<sup>\*\*</sup>
- Sudarshan Langelsheim PLT GmbH (Formerly known as Blitz F24-523 GmbH)<sup>\*\*</sup>
- Sudarshan Langelsheim RE GmbH (Formerly known as Blitz F24-524 GmbH)<sup>\*\*</sup>
- Sudarshan Fairless Hills MFG Ltd., LP (Heubach Ltd.)<sup>\*\*</sup>
- \* Incorporated on 12th August, 2024. The said step-down subsidiary is yet to commence business operations and there has been no transactions since incorporation and hence same has not been consolidated as on the reporting period end.
- \*\* Acquired on 20th December, 2024
- \*\*\* Acquired on 14th January, 2025
- # Incorporated on 13th February, 2025
- \*\* Acquired on 3rd March, 2025 pursuant to the acquisition of Heubach Group of Germany
- \$ Under liquidation

### (d) Others : Joint ventures

- Heubach Toyo Colour Private Limited (w.e.f March 03, 2025)
- Hangzhou Baihe Heubach Pigments Co. Limited (w.e.f March, 03 2025)

### (e) Others : Entities in which Key Management Personnel and / or their relatives exercise significant influence with whom the Company has entered into the transaction during the course of the period.

- |  |   |
|--|---|
| - Balkrishna Rathi Finance Private Limited | - Rabro Speciality Chemicals Private Limited          |
| - PRR Finance Private Limited              | - Shri Jagannath Rathi Charity Trust                  |
| - NJR Finance Private Limited              | - Crawford Bayley & Co                                |
| - Forbes Marshall Private Limited          | - Pragati-Leadership Institute Private Limited        |
| - Sudarshan Chemical Industries Limited    | - Breakthrough Management Group India Private Limited |
| - Employee Group Gratuity Scheme           |   |
| - Sudarshan Chemical Industries Limited    | - Pigment Manufacturers Association of India          |
| - Employee's Superannuation Scheme         |   |

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 48 RELATED PARTY TRANSACTION (AS PER IND AS 24 ON RELATED PARTY DISCLOSURES SPECIFIED UNDER SECTION 133 OF THE COMPANIES ACT, 2013) :

#### B Transactions with Related Parties

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
<b>a Salary (including reimbursement of expenses)* :</b>	<b>2,116.3</b>	<b>9.7</b>	-	-	<b>2,126.0</b>	<b>1,721.4</b>	<b>13.7</b>	-	-	<b>1,735.1</b>
Mr. R.B.Rathi	1,692.5	-	-	-	1,692.5	1,375.6	-	-	-	1,375.6
Mr. A.Vij	235.4	-	-	-	235.4	194.4	-	-	-	194.4
Mr. Nilkanth Natu	114.8	-	-	-	114.8	78.0	-	-	-	78.0
Mr. Mandar Velankar	73.6	-	-	-	73.6	73.4	-	-	-	73.4
Others	-	9.7	-	-	9.7	-	13.7	-	-	13.7
<b>b Pension :</b>	<b>54.5</b>	<b>91.2</b>	-	-	<b>145.7</b>	<b>50.1</b>	<b>83.9</b>	-	-	<b>134.0</b>
Mr. P.R. Rathi	54.5	-	-	-	54.5	50.1	-	-	-	50.1
Mr. N.J. Rathi	-	53.8	-	-	53.8	-	49.4	-	-	49.4
Mrs. K.B.Rathi	-	37.4	-	-	37.4	-	34.5	-	-	34.5
<b>c Commission (Subject to Shareholders' approval) :</b>	<b>93.0</b>	-	-	-	<b>93.0</b>	<b>93.3</b>	-	-	-	<b>93.3</b>
Mrs. S. A. Panse	17.3	-	-	-	17.3	15.0	-	-	-	15.0
Mr. P.R.Rathi	15.6	-	-	-	15.6	9.7	-	-	-	9.7
Mr. N. Raisinghani	15.6	-	-	-	15.6	9.8	-	-	-	9.8
Mr. A. N. Rathi	13.2	-	-	-	13.2	9.8	-	-	-	9.8
Mrs. Sudha Navandar	12.2	-	-	-	12.2	-	-	-	-	-
Mrs. Anu Wakhlu	10.2	-	-	-	10.2	-	-	-	-	-
Ms. Bhumiika Batra	8.9	-	-	-	8.9	-	-	-	-	-
Mr. D. N. Damania	-	-	-	-	-	12.4	-	-	-	12.4
Dr. Deepak Parikh	-	-	-	-	-	7.3	-	-	-	7.3
Mr. S. Padmanabhan	-	-	-	-	-	9.7	-	-	-	9.7
Mr. S. K. Asher	-	-	-	-	-	9.8	-	-	-	9.8
Mrs. R. F. Forbes	-	-	-	-	-	9.8	-	-	-	9.8
<b>d Sitting fees :</b>	<b>37.7</b>	-	-	-	<b>37.7</b>	<b>21.6</b>	-	-	-	<b>21.6</b>
Mr. N. Raisinghani	5.9	-	-	-	5.9	2.4	-	-	-	2.4
Mr. P.R.Rathi	4.7	-	-	-	4.7	2.2	-	-	-	2.2

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
Mrs. Sudha Navandar	4.6	-	-	-	4.6	-	-	-	-	-
Mrs. S.A.Panse	4.4	-	-	-	4.4	2.6	-	-	-	2.6
Ms. Bhumika Batra	4.4	-	-	-	4.4	-	-	-	-	-
Mr. A. N. Rathi	3.5	-	-	-	3.5	1.6	-	-	-	1.6
Mrs. Anu Wakhlu	3.5	-	-	-	3.5	-	-	-	-	-
Mr. D.N.Damania	2.1	-	-	-	2.1	3.4	-	-	-	3.4
Mr. S.K.Asher	2.1	-	-	-	2.1	3.2	-	-	-	3.2
Mr. S. Padmanabhan	1.6	-	-	-	1.6	3.2	-	-	-	3.2
Mrs. R. F. Forbes	0.9	-	-	-	0.9	2.0	-	-	-	2.0
Dr. Deepak Parikh	-	-	-	-	-	1.0	-	-	-	1.0
<b>e Sale of Property Plant and Equipment:</b>	<b>42.3</b>	-	-	-	<b>42.3</b>	<b>0.4</b>	-	-	-	<b>0.4</b>
Mr. P.R. Rathi	42.3	-	-	-	42.3	-	-	-	-	-
Mr. A.V. Vij	-	-	-	-	-	0.4	-	-	-	0.4
<b>f Sale of Goods:</b>	-	-	<b>56,748.5</b>	-	<b>56,748.5</b>	-	-	<b>39,053.5</b>	<b>3.0</b>	<b>39,056.5</b>
Sudarshan Europe B.V.	-	-	26,396.3	-	26,396.3	-	-	19,630.3	-	19,630.3
Sudarshan North America, Inc.	-	-	23,209.8	-	23,209.8	-	-	12,758.3	-	12,758.3
Sudarshan Mexico S. de R.L. de C.V.	-	-	7,023.7	-	7,023.7	-	-	6,514.6	-	6,514.6
Others	-	-	118.7	-	118.7	-	-	150.3	3.0	153.3
<b>g Purchase of Goods / Services / Property Plant and Equipment:</b>	-	-	<b>241.5</b>	<b>169.2</b>	<b>410.7</b>	-	-	<b>93.4</b>	<b>24.1</b>	<b>117.5</b>
Rabro Speciality Chemicals Private Limited	-	-	-	165.0	165.0	-	-	-	-	-
RIECO Industries Limited	-	-	127.1	-	127.1	-	-	76.3	-	76.3
Sudarshan North America, Inc.	-	-	107.6	-	107.6	-	-	-	-	-
Forbes Marshall Private Limited	-	-	-	4.2	4.2	-	-	-	15.9	15.9

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024				
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
Sudarshan (Shanghai) Trading Co. Limited	-	-	-	-	-	-	17.1	-	17.1
Others	-	-	6.8	-	-	-	-	8.2	8.2
<b>h Legal and Professional Fees Paid:</b>	-	-	-	<b>450.0</b>	-	-	-	<b>145.5</b>	<b>145.5</b>
Crawford Bayley & Co.	-	-	-	350.0	-	-	-	145.0	145.0
Breakthrough Management Group	-	-	-	65.7	-	-	-	-	-
Pragati Leadership Institute Private Limited	-	-	-	34.3	-	-	-	-	-
Others	-	-	-	-	-	-	0.5	-	0.5
<b>i Unsecured Loans given:</b>	-	-	<b>4,495.3</b>	-	-	-	<b>500.0</b>	-	<b>500.0</b>
Sudarshan Europe B.V.	-	-	4,495.3	-	-	-	-	-	-
RIECO Industries Limited	-	-	-	-	-	-	500.0	-	500.0
<b>j Unsecured Loans repayments received:</b>	-	-	<b>142.7</b>	-	-	-	<b>500.0</b>	-	<b>500.0</b>
Sudarshan Japan Limited	-	-	142.7	-	-	-	-	-	-
RIECO Industries Limited	-	-	-	-	-	-	500.0	-	500.0
<b>k Interest received / accrued on unsecured loans:</b>	-	-	<b>65.9</b>	-	-	-	<b>24.8</b>	-	<b>24.8</b>
Sudarshan Europe B.V.	-	-	63.2	-	-	-	-	-	-
Sudarshan Japan Limited	-	-	2.7	-	-	-	11.5	-	11.5
RIECO Industries Limited	-	-	-	-	-	-	13.3	-	13.3
<b>l Rent received:</b>	-	-	-	<b>0.8</b>	-	-	<b>1.3</b>	-	<b>1.3</b>
Rabro Speciality Chemicals Private Limited	-	-	-	0.3	-	-	-	0.3	0.3
Balkrishna Rathi Finance Private Limited	-	-	-	0.3	-	-	-	0.3	0.3
Shri Jagannath Rathi Charity Trust	-	-	-	0.2	-	-	-	0.2	0.2
NJR Finance Private Limited	-	-	-	-	-	-	-	0.1	0.1

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
PRR Finance Private Limited	-	-	-	-	-	-	-	-	0.2	0.2
Rathi Enterprises Private Limited	-	-	-	-	-	-	-	-	0.2	0.2
<b>m Donation Paid :</b>										
Sudarshan CSR Foundation	-	-	151.0	-	151.0	-	-	183.9	-	183.9
<b>n Reimbursement / Cross Charges Receivable from subsidiaries :</b>										
Sudarshan Europe B.V.	-	-	(3,657.9)	-	(3,657.9)	-	-	(72.5)	-	(72.5)
Sudarshan Japan Limited	-	-	(96.9)	-	(96.9)	-	-	-	-	-
RIECO Industries Limited	-	-	(70.9)	-	(70.9)	-	-	(72.8)	-	(72.8)
Sudarshan North America, Inc.	-	-	(30.0)	-	(30.0)	-	-	(35.1)	-	(35.1)
Sudarshan Mexico S. de R.L. de C.V.	-	-	-	-	-	-	-	(2.0)	-	(2.0)
Others	-	-	(0.2)	(36.3)	(36.5)	-	-	-	(9.8)	(9.8)
<b>o Reimbursement / Cross Charges Payable to subsidiaries :</b>										
Sudarshan Japan Limited	-	-	530.6	-	530.6	-	-	526.6	-	526.6
Sudarshan Europe B.V.	-	-	406.4	-	406.4	-	-	340.1	-	340.1
Sudarshan North America, Inc.	-	-	44.3	-	44.3	-	-	12.6	-	12.6
Sudarshan Mexico S. de R.L. de C.V.	-	-	18.3	-	18.3	-	-	-	-	-
Sudarshan (Shanghai) Trading Co. Limited	-	-	-	-	-	-	-	96.0	-	96.0
Others	-	-	-	-	-	-	-	-	-	-
<b>p Interest on corporate guarantee received :</b>										
Sudarshan Europe B.V.	-	-	240.7	-	240.7	-	-	88.4	-	88.4
	-	-	-	-	240.7	-	-	53.9	-	53.9

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
RIECO Industries Limited	-	-	22.2	-	22.2	-	-	28.2	-	28.2
Others	-	-	-	-	-	-	-	6.3	-	6.3
<b>q Subscription paid:</b>					<b>9.6</b>					
Pigment Manufacturers Association of India	-	-	-	9.6	9.6	-	-	-	-	-
<b>r Car Deposit Received:</b>					<b>25.2</b>					<b>16.0</b>
Mr. P.R. Rathi	20.9	-	-	-	20.9	-	-	-	-	-
Mr.N.J. Natu	4.3	-	-	-	4.3	-	-	-	-	-
Mr. M.M. Velankar	-	-	-	-	-	5.9	-	-	-	5.9
Mr. A.Vij	-	-	-	-	-	5.9	-	-	-	5.9
Mr. N. J. Rathi	-	-	-	-	-	-	4.2	-	-	4.2
<b>s Corporate guarantee given on behalf of related parties:</b>					<b>1,93,087.7</b>					
Sudarshan Europe B.V.	-	-	1,93,087.7	-	1,93,087.7	-	-	-	-	-
<b>t Sale of Subsidiary:</b>					<b>101.3</b>					<b>134.7</b>
Sudarshan Europe B.V.	-	-	101.3	-	101.3	-	-	134.7	-	134.7
<b>u Refund of Pension:</b>										<b>45.9</b>
Mr. P. R. Rathi	-	-	-	-	-	45.9	-	-	-	45.9
<b>v Repayment of Car Deposits:</b>					<b>49.0</b>					
Mr. P.R. Rathi	49.0	-	-	-	49.0	-	-	-	-	-
<b>w Investment in Cumulative Non-convertible Redeemable Preference Shares:</b>					<b>72,744.7</b>					
Sudarshan Europe B.V.	-	-	72,744.7	-	72,744.7	-	-	-	-	-
<b>x Issuance of Share Warrants:</b>					<b>2,498.4</b>					
Mr. R.B. Rathi	2,498.4	-	-	-	2,498.4	-	-	-	-	-
<b>y Dividend on preference shares</b>					<b>354.9</b>					
Sudarshan Europe B.V.	-	-	354.9	-	354.9	-	-	-	-	-

\* Pertains to short-term employee benefits other than gratuity and leave encashment since the same is computed for all employees of the company as a whole.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured with a short term duration unless otherwise stated and interest free except for loans and settlement occurs in cash. For the year ended 31<sup>st</sup> March, 2025, the Company has not recorded any impairment of receivables relating to amount owed by related parties other than those disclosed separately above (31<sup>st</sup> March, 2024 : ₹ Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.
- All transactions were made on normal commercial terms and conditions and at market rates.

### 48 RELATED PARTY TRANSACTION (AS PER IND AS 24 ON RELATED PARTY DISCLOSURES SPECIFIED UNDER SECTION 133 OF THE COMPANIES ACT, 2013) :

#### C Balances due from / to related parties :

Nature of Transactions	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
<b>a Trade Receivables</b>	-	-	<b>19,193.6</b>	-	<b>19,193.6</b>	-	-	<b>9,633.3</b>	-	<b>9,633.3</b>
Sudarshan North America, Inc.	-	-	9,083.0	-	9,083.0	-	-	4,037.9	-	4,037.9
Sudarshan Europe B.V.	-	-	5,074.6	-	5,074.6	-	-	1,773.0	-	1,773.0
Sudarshan Mexico S. de R.L. de C.V.	-	-	4,859.3	-	4,859.3	-	-	3,668.3	-	3,668.3
Sudarshan (Shanghai) Trading Co. Limited	-	-	176.7	-	176.7	-	-	154.1	-	154.1
<b>b Trade Payables</b>	-	-	<b>523.0</b>	-	<b>523.0</b>	-	-	<b>914.7</b>	-	<b>914.7</b>
Sudarshan Europe B.V.	-	-	345.5	-	345.5	-	-	510.5	-	510.5
Sudarshan North America, Inc.	-	-	109.9	-	109.9	-	-	323.2	-	323.2
RIECO Industries Limited	-	-	39.2	-	39.2	-	-	62.6	-	62.6
Sudarshan (Shanghai) Trading Co. Limited	-	-	16.2	-	16.2	-	-	18.4	-	18.4
Heubach Colorants India Limited	-	-	12.2	-	12.2	-	-	-	-	-
<b>c Other Receivables</b>	-	-	<b>4,807.2</b>	<b>299.9</b>	<b>5,107.1</b>	-	-	<b>409.0</b>	<b>98.5</b>	<b>507.5</b>
Sudarshan Europe B.V.	-	-	4,471.5	-	4,471.5	-	-	142.6	-	142.6
RIECO Industries Limited	-	-	111.5	-	111.5	-	-	118.9	-	118.9
Sudarshan (Shanghai) Trading Co. Limited	-	-	100.9	-	100.9	-	-	98.5	-	98.5
Sudarshan Japan Limited	-	-	93.9	-	93.9	-	-	9.1	-	9.1
Sudarshan North America, Inc.	-	-	24.4	-	24.4	-	-	35.2	-	35.2

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
Sudarshan Mexico S. de R.L. de C.V.	-	-	5.0	-	5.0	-	-	4.7	-	4.7
Sudarshan Chemical Industries Limited Employee	-	-	-	299.9	299.9	-	-	-	97.9	97.9
Group Gratuity Scheme	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	0.6	0.6
<b>d Other Payables</b>	-	-	<b>704.7</b>	<b>1.6</b>	<b>706.3</b>	<b>1.7</b>	-	<b>902.6</b>	<b>13.7</b>	<b>918.0</b>
Sudarshan Europe B.V.	-	-	458.5	-	458.5	-	-	686.2	-	686.2
Sudarshan Japan Limited	-	-	205.1	-	205.1	-	-	174.8	-	174.8
Sudarshan Mexico S. de R.L. de C.V.	-	-	18.7	-	18.7	-	-	-	-	-
Sudarshan (Shanghai) Trading Co. Limited	-	-	13.7	-	13.7	-	-	28.8	-	28.8
Sudarshan North America, Inc.	-	-	8.7	-	8.7	-	-	12.8	-	12.8
Others	-	-	-	1.6	1.6	1.7	-	-	13.7	15.4
<b>e Advances paid to party</b>	-	-	-	<b>202.4</b>	<b>202.4</b>	-	-	-	-	-
Crawford Bayley & Co.	-	-	-	200.0	200.0	-	-	-	-	-
Others	-	-	-	2.4	2.4	-	-	-	-	-
<b>f Loan receivables</b>	-	-	<b>4,630.4</b>	-	<b>4,630.4</b>	-	-	<b>151.4</b>	-	<b>151.4</b>
Sudarshan Europe B.V.	-	-	4,630.4	-	4,630.4	-	-	-	-	-
Sudarshan Japan Limited	-	-	-	-	-	-	-	151.4	-	151.4
<b>g Corporate guarantee given</b>	-	-	<b>2,10,644.2</b>	-	<b>2,10,644.2</b>	-	-	<b>17,992.2</b>	-	<b>17,992.2</b>
Sudarshan Europe B.V.	-	-	1,98,644.2	-	1,98,644.2	-	-	5,392.2	-	5,392.2
RIECO Industries Limited	-	-	12,000.0	-	12,000.0	-	-	12,600.0	-	12,600.0
<b>h Commission Payable</b>	<b>93.0</b>	-	-	-	<b>93.0</b>	<b>44.3</b>	-	-	-	<b>44.3</b>
Mrs. S. A. Panse	17.3	-	-	-	17.3	15.0	-	-	-	15.0
Mr. P.R.Rathi	15.6	-	-	-	15.6	9.7	-	-	-	9.7
Mr. N. Raisinghani	15.6	-	-	-	15.6	9.8	-	-	-	9.8
Mr. A. N. Rathi	13.2	-	-	-	13.2	9.8	-	-	-	9.8
Mrs. Sudha Navandar	12.2	-	-	-	12.2	-	-	-	-	-

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Subsidiary Companies	Others	Total
Mrs. Anu Wakhlu	10.2	-	-	-	10.2	-	-	-	-	-
Ms. Bhumika Batra	8.9	-	-	-	8.9	-	-	-	-	-
Mr. D. N. Damania	-	-	-	-	-	12.4	-	-	-	12.4
Dr. Deepak Parikh	-	-	-	-	-	7.3	-	-	-	7.3
Mr. S. Padmanabhan	-	-	-	-	-	9.7	-	-	-	9.7
Mr. S. K. Asher	-	-	-	-	-	9.8	-	-	-	9.8
Mrs. R. F. Forbes	-	-	-	-	-	9.8	-	-	-	9.8
<b>i Salary / Pension Payable *</b>	<b>2.6</b>	<b>4.8</b>	-	-	<b>7.4</b>	<b>213.4</b>	<b>4.4</b>	-	-	<b>217.8</b>
Mr. N. J. Rathi	-	2.7	-	-	2.7	-	2.5	-	-	2.5
Mr. P.R.Rathi	2.6	-	-	-	2.6	4.7	-	-	-	4.7
Mrs. K. B. Rathi	-	2.1	-	-	2.1	-	1.9	-	-	1.9
Mr. R.B.Rathi	-	-	-	-	-	200.0	-	-	-	200.0
Mr. Mandar Velankar	-	-	-	-	-	4.6	-	-	-	4.6
Mr. Nilkanth Natu	-	-	-	-	-	3.1	-	-	-	3.1
Mr. A.Vij	-	-	-	-	-	1.0	-	-	-	1.0
Others	-	-	-	-	-	-	-	-	-	-
<b>j Car deposit payable</b>	<b>55.9</b>	<b>4.2</b>	-	-	<b>60.1</b>	<b>83.9</b>	-	-	-	<b>83.9</b>
Mr. P.R.Rathi	20.9	-	-	-	20.9	49.0	-	-	-	49.0
Mr. R.B.Rathi	18.9	-	-	-	18.9	18.9	-	-	-	18.9
Mr. Mandar Velankar	5.9	-	-	-	5.9	5.9	-	-	-	5.9
Mr. A.Vij	5.9	-	-	-	5.9	5.9	-	-	-	5.9
Mr. Nilkanth Natu	4.3	-	-	-	4.3	-	-	-	-	-
Mr. N. J. Rathi	-	4.2	-	-	4.2	4.2	-	-	-	4.2
<b>k Investment in Cumulative Non-convertible Redeemable Preference Shares :</b>	-	-	<b>73,959.3</b>	-	<b>73,959.3</b>	-	-	-	-	-
Sudarshan Europe B.V.	-	-	73,959.3	-	73,959.3	-	-	-	-	-

\* Does not include gratuity and leave encashment since the same is considered for all employees of the Company as a whole.

Note: Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. All transactions were made on normal commercial terms and conditions and are at market rates.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 49 RISK MANAGEMENT AND CAPITAL MANAGEMENT

#### A Financial instruments risk management objectives and policies

The Company's principal financial liabilities other than derivatives, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, trade and other receivables, deposits, loans and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by an Enterprise Risk Management (ERM) team that advises on financial risks and the appropriate financial risk governance framework for the Company. The ERM team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The ERM team process seeks to provide greater confidence to the decision maker and thus enhance achievement of objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, investments, trade and other receivable, trade and other payables and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

Potential impact of risk	Management policy	Sensitivity to risk
<b>i) Interest rate risk</b>		
The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.	In order to manage its interest rate risk arising from variable interest rate borrowings, the Company uses Interest rate swaps to hedge its exposure to future market interest rates whenever appropriate. The hedging activity is undertaken in accordance with the framework set by the Risk Management Committee and supported by the Treasury department.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 25 bps change in interest rates. A 25 bps reduction in interest rates would have led to approximately an additional ₹ 100.3 lakhs and (Previous Year: ₹ 89.7 lakhs) gain in Statement of Profit and Loss. A 25 bps increase in interest rates would have led to an equal but opposite effect.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### ii) Foreign exchange risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk also includes highly probable foreign currency cash flows.

The Company has exposure arising out of export, import, loans and other transactions. The Company hedges its foreign exchange risk using foreign exchange forward contracts and currency options after considering the natural hedge. The same is within the guidelines laid down by Company's Risk Management policy.

As an estimation of the approximate impact of the foreign exchange rate risk, with respect to financial statements, the Company has calculated the impact on the Statement of Profit and Loss.

The following tables demonstrate the sensitivity to a possible change in EUR and USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. For derivative and non-derivative financial instruments, a 2% increase in the spot price as on the reporting date would have led to an increase in additional gain of ₹ 810.0 lakhs. (Previous Year: loss of ₹ 701.0 lakhs). A 2% decrease would have led to an increase in additional loss of ₹ 810.0 lakhs. (Previous Year: gain of ₹ 701.0 lakhs).

(₹ in Lakhs)

Foreign currency exposure and sensitivity	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	USD denominated	EURO denominated	USD denominated	EURO denominated
Trade receivables	34,031.9	10,252.3	23,973.9	1,968.8
Forward contracts for trade receivables	(34,245.9)	(9,937.4)	(26,349.9)	(3,594.8)
Investments & Loans to Subsidiaries	-	78,590.0	-	-
Forward contracts for Investments and Loans	-	(23,152.0)	-	-
Foreign currency borrowings	(9,807.9)	-	(25,380.0)	-
Forward contracts for borrowings	5,747.2	-	2,502.0	-
Trade payables	(11,957.5)	(1,088.1)	(7,841.8)	(1,160.2)
Forward contracts for trade payable	-	-	834.0	-
<b>Total</b>	<b>(16,232.2)</b>	<b>54,664.8</b>	<b>(32,261.8)</b>	<b>(2,786.2)</b>

The movement in Effective portion of cash flow hedge under other equity for derivatives designated as Cash Flow Hedges is as follows:

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Balance at beginning of the year</b>	<b>(2,510.9)</b>	<b>(2,530.9)</b>
Changes in the fair value of effective portion of derivatives – gain / (loss)	(435.9)	(1,470.5)
Net Gain / (Loss) reclassified to Statement of Profit and Loss on occurrence of hedged forecasted transactions	1,676.1	1,490.5
<b>Balance at end of the year</b>	<b>(1,270.7)</b>	<b>(2,510.9)</b>
<b>Tax impact</b>	<b>138.1</b>	<b>(28.0)</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The Company basis their assessment believes that the probability of the occurrence of their highly probable forecasted transactions is not significantly impacted by the current geopolitical scenario. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

### Disclosure

How the risk arises	How the Company manages risks
The Company has a significant portion of its revenue in foreign currency (other than INR). This exposure in foreign exchange risk affects the profitability and financial position of the Company due to variation in the foreign exchange rates.	The risk management strategy is as follows: - To use the foreign exchange forward contracts to hedge the foreign currency risk associated with highly probable forecasted sales. - To use the non-derivative contracts (cash flow legs of foreign currency borrowing) to hedge the foreign currency risk associated with highly probable forecasted sales. - To use the cash flow legs of foreign currency borrowing combined with the cash flow legs of Cross Currency Interest Rate Swap to hedge the foreign currency risk associated with highly probable forecasted sales.
The Company has certain amount of its purchases in foreign currency (other than INR) which results in exposure to fluctuation of exchange rate affecting the profitability and financial position of the Company.	The risk management strategy is to use the foreign exchange forward contracts to hedge the foreign currency risk associated with highly probable forecasted purchases.
The Company has taken loans denominated in EUR which have floating interest rate. This results in exposing the Company to fluctuations in cash flow due to floating interest rate risk.	The risk management strategy is to use the Interest Rate Swap (IRS) to hedge the interest rate risk associated with floating interest rate cash flow.

The Company uses derivatives (forward contract, interest rate swap and cross currency interest rate swap) or non-derivative or a combination of both to hedge its exposure of forex / interest rate related risk. These instruments are either used to lock in a lower purchase price or / and a higher sales prices / fixed interest rate. The gain or loss on hedging instrument are aligned and effectively an offset compared with hedged item.

The economic relationship between hedged item and hedged instrument is established to ensure that both are moving in the opposite direction because of the same hedged risk.

The credit risk associated with the hedge relationship is negligible due to the highly rated counterparties.

The Company's hedging policy only allows for effective hedge relationships. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If the critical terms of the hedged item do not match exactly with the critical terms of the hedging instrument, the company uses the quantitative analysis to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds, on an absolute basis, the change in value of the hedged item that attributes to the hedged risk. This may arise if there is any change in the timing of the underlying hedged item or if the critical terms of the hedging instrument and the hedged item do not match exactly.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (b) Credit risk

Potential impact of risk	Management policy	Sensitivity to risk
<p><b>i) Trade Receivables:</b> Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities.</p>	<p>Customer credit risk is managed subject to the Company's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. An impairment analysis based on Expected Credit Loss (ECL) model is performed at each reporting date.</p>	<p>The Company considers the probability of default upon initial recognition and whether there have been significant increase in the credit risk on ongoing basis throughout each reporting period, to assess increase in the credit risk, the Company compares the rate of default on the date of reporting and initial recognition. The maximum amount to which the Company is exposed is ₹ 67,902.0 lakhs and ₹ 52,483.6 lakhs for 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 respectively. Against these receivables, a provision for expected loss allowance is recognised.</p>
<p><b>ii) Deposits and financial instruments (other than trade receivables):</b> Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities.</p>	<p>The Company maintains exposure in cash and cash equivalents and mutual fund schemes. Investments of surplus funds are made with assigned credit limits with approved counterparties who meet requirements of ratings, financial strength, credit spreads, etc. Counterparty credit limits are set to minimize concentration risks and are reviewed periodically by the Board.</p>	<p>Long term credit ratings of these banking institutions are considered to be of investment grade. No impairment has been recorded in respect of fixed deposits that are with recognised commercial banks and not past due.</p>

Reconciliation of provision for expected credit loss	
<b>Balance as at 1<sup>st</sup> April, 2023</b>	<b>1,097.4</b>
Provision (reversed) / recognised for expected credit loss	(54.1)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1,043.3</b>
Provision (reversed) / recognised for expected credit loss	417.5
<b>Balance as at 31<sup>st</sup> March, 2025</b>	<b>1,460.8</b>

In addition to the historical pattern of credit loss, the Company has also considered the likelihood of increased credit risk considering emerging situations due to the current geopolitical scenarios. This assessment is based on the likelihood of the recoveries from the customers in the present situation. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case. Basis this assessment, the allowance for doubtful trade receivables is considered adequate.

In addition, financial instruments that are subject to concentration of credit risk include loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (c) Liquidity risk

Potential impact of risk	Management policy	Sensitivity to risk
<p>Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price or there could be excessive concentrations of risks. The Company's treasury department is responsible for liquidity, funding as well as settlement management. Excessive concentrations of risks arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.</p>	<p>The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used to manage risk concentrations at both the relationship and industry levels.</p>	<p>The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The Company assessed the concentration of risk and concluded it to be low. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date:</p>

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Note	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March, 2025</b>						
Borrowings (including accrued interest)	19	36,122.6	1,593.9	2,412.5	-	<b>40,129.0</b>
Committed Interest	-	523.7	82.2	55.0	-	<b>660.9</b>
Other financial liabilities	21	4,838.2	-	339.3	-	<b>5,177.5</b>
Lease liabilities	5	269.5	292.9	2,364.5	1,766.3	<b>4,693.2</b>
Trade payables	20	49,236.7	-	-	-	<b>49,236.7</b>
Derivatives instruments	22	353.8	-	-	-	<b>353.8</b>
	<b>Total</b>	<b>91,344.5</b>	<b>1,969.0</b>	<b>5,171.3</b>	<b>1,766.3</b>	<b>1,00,251.1</b>
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings (including accrued interest)	19	8,627.9	7,904.8	19,331.5	-	<b>35,864.2</b>
Committed Interest	-	765.9	660.9	528.1	-	<b>1,954.9</b>
Other financial liabilities	21	4,568.2	-	161.3	-	<b>4,729.5</b>
Lease liabilities	5	109.4	109.3	902.3	803.0	<b>1,924.0</b>
Trade payables	20	44,009.2	-	-	-	<b>44,009.2</b>
Derivatives instruments	22	82.0	-	-	-	<b>82.0</b>
	<b>Total</b>	<b>58,162.6</b>	<b>8,675.0</b>	<b>20,923.2</b>	<b>803.0</b>	<b>88,563.8</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### B Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. Net debt are non-current borrowings and current borrowing as reduced by cash and cash equivalents.

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total Debt	40,129.0	35,864.2
Less: Cash and Cash equivalents	(1,869.0)	(3,536.9)
Net debt	38,260.0	32,327.3
Total Equity (Share Capital + Reserves including capital reserves)	2,25,892.7	1,10,648.8
Net Debt - Equity ratio	<b>0.17</b>	<b>0.29</b>

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March 2024.

### 50 SHARE BASED PAYMENTS

During the financial year 2018-19, the Board of Directors of the Company and its Shareholders' approved a Employee Stock Option Plan (ESOP) and reserved 13,84,545 common shares for issuance thereunder. During the year ended 31<sup>st</sup> March, 2021, options totalling to 3,94,220 ordinary shares were granted to certain identified eligible employees of the Company. Detailed description of share based payment arrangements is as below:

a	Date of shareholders' approval	9 <sup>th</sup> August, 2018
b	Total number of options approved under ESOP	3,94,220
c	Vesting requirements	Out of the total options granted, 40% options vest after 4 <sup>th</sup> year, 20% options vest after 5 <sup>th</sup> year, 20% options vest after 6 <sup>th</sup> year and 20% options vest after 7 <sup>th</sup> year from the date of respective grant, subject to time-based and performance-based conditions of the ESOP scheme.
d	Exercise price or pricing formula	₹ 349.4
e	Maximum term of options granted	5 years from each vesting date
f	Date of grant	6 <sup>th</sup> April, 2020
g	Settlement mode	Equity share
h	Source of shares (primary, secondary or combination)	Primary

The weighted average fair value of the share option granted is ₹ 169.2/-. Options were priced using the Black-Scholes Merton Formula pricing model. Where relevant, the expected life used in this model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavior considerations. Expected volatility is based on historical sale price volatility of comparable companies in the industry over the expected life of 6 - 10 years.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Inputs into the model were as follows:

a	Grant date share price	₹ 349.4
b	Exercise price	₹ 349.4
c	Expected volatility	45.64% – 47.51%
d	Expected life of share options	6.5 to 9.5 years
e	Dividend yield	1.90% - 2.20%
f	Risk free interest rate	6.45% to 6.68%

### Reconciliation of outstanding share options is as follows:

Particulars	Number of options	Weighted average exercise price
Outstanding as at 1 <sup>st</sup> April, 2023	3,32,650	349.4
Granted during the year	-	-
Forfeited / lapsed during the year	-	-
Exercised during the year	-	-
Outstanding as at 31 <sup>st</sup> March, 2024	3,32,650	349.4
Exercisable as at 31 <sup>st</sup> March, 2024	-	-
Outstanding as at 1 <sup>st</sup> April, 2024	3,32,650	349.4
Granted during the year	-	-
Forfeited / lapsed during the year	1,91,596	349.4
Exercised during the year	-	-
Outstanding as at 31 <sup>st</sup> March, 2025	1,41,054	349.4
Exercisable as at 31 <sup>st</sup> March, 2025	-	-

There are no options vested during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

There is no realisation of money by exercise of option during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

The options outstanding at 31<sup>st</sup> March, 2025 have an exercise price of ₹ 349.35 (31<sup>st</sup> March, 2024: ₹ 349.35) and a weighted average remaining contractual life of 5.2 years (31<sup>st</sup> March, 2024: 6.2 years).

Weighted average share price at the date of the exercise of share options exercised in 2024-25 and 2023-24 is not disclosed as no shares were exercised during the current and previous financial year.

Weighted average fair value of share options granted during the year is not disclosed as no share options were granted during the current and previous financial year.

### Expense recognised in Statement of Profit and Loss

The Company has followed the fair value method to account for the grant of stock options. Profit and loss impact for the year ended 31<sup>st</sup> March, 2025 is ₹ 0.0 Lakhs (31<sup>st</sup> March, 2024: ₹ 126.1 Lakhs).

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 51 HEDGING ACTIVITIES

#### Cash flow hedges

The Company enters into derivative instruments which comprise of interest rate swaps, cross currency swaps and also designates its foreign currency borrowings against highly probable forecasted export sales for hedge accounting to manage its foreign currency exposure.

These instruments are measured at fair values at each reporting period resulting in derivative financial assets and derivative financial liabilities. The gain / loss on maturity / termination of such derivative instruments is recorded in the Statement of Profit and Loss along with the relevant hedged item.

The cash flow hedges of the highly probable forecasted export sales during the year ended 31<sup>st</sup> March, 2025 were assessed to be highly effective and a net unrealised (loss) / gain of ₹ 1,240.4 Lakhs (31<sup>st</sup> March, 2024: ₹ 20.0 Lakhs) is included in OCI. The amounts retained in OCI at 31<sup>st</sup> March, 2025 are expected to be realised in the Statement of Profit and Loss till the year ended 31<sup>st</sup> March, 2028.

The following are the details of outstanding derivative and non derivative instruments (foreign currency loans) entered into by the Company which have been designated as cash flow hedges:

#### As at 31<sup>st</sup> March, 2025

Type of Cover	Amount outstanding in Foreign currency in lakhs	Currency	Fair value gain / (loss) movement during the year	
			in OCI (effective)	in P&L (ineffective)
Non-derivative contracts (Foreign Currency Loans)	114.8	USD	1,519.0	(139.6)
Derivative contracts - IRS and CCIRS	106.4	USD	(278.8)	-
			<b>1,240.2</b>	<b>(139.6)</b>

#### As at 31<sup>st</sup> March, 2024

Type of Cover	Amount outstanding in Foreign currency in lakhs	Currency	Fair value gain / (loss) movement during the year	
			in OCI (effective)	in P&L (ineffective)
Non-derivative contracts (Foreign Currency Loans)	304.3	USD	798.1	(268.1)
Derivative contracts - IRS and CCIRS	279.3	USD	(778.1)	(7.1)
			<b>20.0</b>	<b>(275.2)</b>

For qualitative details w.r.t hedging strategy followed by the Company refer note 49(A).

#### Derivatives not designated as hedging instruments:

The Company has used foreign exchange forward contracts to manage its import payments, loan repayments and realisation from export customers. These foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions i.e. the payments against import purchases, loan repayments and realisation from export customers.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 52 EXCEPTIONAL ITEMS

	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Amounts incurred towards acquisition of Heubach Group - refer note 52 (a)	(1,821.4)	-
Sale of freehold land - refer note 52 (b)	-	31,510.1
Divestment of wholly owned subsidiary - refer note 52 (c)	-	(344.1)
	(1,821.4)	31,166.0

- a) The Board of Directors of Sudarshan Europe B.V ("SEBV") (wholly owned subsidiary of Sudarshan Chemical Industries Limited) at its meeting held on 8<sup>th</sup> October, 2024 provided its in-principle approval for the acquisition of global pigment business operations of the Heubach Group of Germany through an asset and share deal, subject to completion of customary conditions and receipt of requisite regulatory approvals. Pursuant to this, SEBV has entered into a definitive agreement in relation to the said proposed acquisition on 11<sup>th</sup> October 2024. The said acquisition was completed on 3<sup>rd</sup> March, 2025 ("Closing Date") by SEBV for a preliminary purchase consideration of €151.9 million (approx. ₹ 1,38,990.0 lakhs). The acquisition was financed through a combination of external funds raised by the Company and borrowings availed by SEBV. Transaction and other incidental costs with respect to the aforesaid acquisition incurred up to 31<sup>st</sup> March, 2025 have been disclosed as "Exceptional items".
- b) During the year ended 31<sup>st</sup> March, 2024, the Company concluded the sale of its freehold land along with the structures thereon located at 162 Wellesley Road, Pune 411001, for a total consideration of ₹ 35,600.0 lakhs resulting into a gain of ₹ 31,510.1 lakhs (net of transaction costs and other incidental costs). Tax expense on this exceptional item amounting to ₹ 6,921.0 lakhs is included in current tax expenses for the year ended 31<sup>st</sup> March, 2024.
- c) During the year ended 31<sup>st</sup> March 2024, as a part of restructuring / consolidation with the purpose of having a single entity as Global Holding Company for all overseas subsidiaries, the Company, through Share Purchase Agreement dated 22<sup>nd</sup> March 2024, divested its holding in Sudarshan (Shanghai) Trading Company Limited to Sudarshan Europe B.V. for a total consideration of ₹ 134.7 Lakhs resulting into an exceptional loss of ₹ 344.1 Lakhs (including transaction cost and other incidental cost) for the year ended 31<sup>st</sup> March 2024.

### 53 FINANCIAL INSTRUMENTS - FAIR VALUES

Below is a comparison, by class, of the carrying amounts of the Company's financial instruments as of 31<sup>st</sup> March, 2025.

Particulars	Financial assets / liabilities at amortised cost	Financial assets / liabilities at fair value through profit and loss	Financial assets / liabilities at fair value through OCI	Total carrying value
<b>Financial assets</b>				
Investments*	73,959.4	26,010.8	-	99,970.2
Loans	4,630.4	-	-	4,630.4
Trade receivables	67,902.0	-	-	67,902.0
Cash and cash equivalents	1,869.0	-	-	1,869.0
Bank balances other than cash and cash equivalents	767.1	-	-	767.1
Derivatives - Forward Contracts Receivable	-	947.8	-	947.8
Interest rate / currency swap contracts	-	-	137.1	137.1
Other financial assets	7,065.9	-	-	7,065.9
<b>Total</b>	<b>1,56,193.8</b>	<b>26,958.6</b>	<b>137.1</b>	<b>1,83,289.5</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Financial assets / liabilities at amortised cost	Financial assets / liabilities at fair value through profit and loss	Financial assets / liabilities at fair value through OCI	Total carrying value
<b>Financial liabilities</b>				
Borrowings	40,129.0	-	-	40,129.0
Lease liabilities	3,412.0	-	-	3,412.0
Trade payables	49,236.7	-	-	49,236.7
Derivative - Forward Contracts Payable	-	353.8	-	353.8
Interest rate / currency swap contracts	-	-	-	-
Other financial liabilities	5,177.5	-	-	5,177.5
<b>Total</b>	<b>97,955.2</b>	<b>353.8</b>	<b>-</b>	<b>98,309.0</b>

\*Excludes investments in subsidiaries accounted as per cost model in accordance with Ind AS 27- 'Separate Financial Statements'.

Note- The carrying amounts of financial assets and financial liabilities carried at amortised cost approximate their fair values.

**Below is a comparison, by class, of the carrying amounts of the Company's financial instruments as of 31<sup>st</sup> March, 2024.**

Particulars	Financial assets / liabilities at amortised cost	Financial assets / liabilities at fair value through profit and loss	Financial assets / liabilities at fair value through OCI	Total carrying value
<b>Financial assets</b>				
Investments*	1.1	243.0	-	244.1
Loans	151.4	-	-	151.4
Trade receivables	52,483.6	-	-	52,483.6
Cash and cash equivalents	3,536.9	-	-	3,536.9
Bank balances other than cash and cash equivalents	701.3	-	-	701.3
Derivatives - Forward Contracts Receivable	-	34.0	-	34.0
Interest rate / currency swap contracts	-	-	797.1	797.1
Other financial assets	1,643.0	-	-	1,643.0
<b>Total</b>	<b>58,517.3</b>	<b>277.0</b>	<b>797.1</b>	<b>59,591.4</b>
<b>Financial liabilities</b>				
Borrowings	35,864.2	-	-	35,864.2
Lease liabilities	1,924.0	-	-	1,924.0
Trade payables	44,009.2	-	-	44,009.2
Derivative - Forward Contracts Payable	-	82.0	-	82.0
Interest rate / currency swap contracts	-	-	-	-
Other financial liabilities	4,729.5	-	-	4,729.5
<b>Total</b>	<b>86,526.9</b>	<b>82.0</b>	<b>-</b>	<b>86,608.9</b>

\*Excludes investments in subsidiaries accounted as per cost model in accordance with Ind AS 27- 'Separate Financial Statements'.

Note- The carrying amounts of financial assets and financial liabilities carried at amortised cost approximate their fair values.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The management assessed that the fair value of cash and cash equivalent, bank balances, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

The following method and assumptions were used to estimate the fair value:

- (i) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of unquoted instruments, loans from banks, lease liabilities and other current financial liabilities as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (iii) The Company enters into derivative financial instruments with financial institutions and banks with investment grade credit ratings. Foreign exchange Forward Contracts and Interest Rate Swap are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The model incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.
- (iv) The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.

### 54 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.; as prices) or indirectly (i.e.; derived from prices). This level of hierarchy include Company's over-the-counter (OTC) derivative contracts.

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy -

Reporting Date	Date of valuation	Fair value measurement using			
		Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
<b>Financial assets at FVTPL</b>					
<b>Foreign exchange forward contracts</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	947.8	-	947.8	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	34.0	-	34.0	-
<b>Investment in mutual funds</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	25,729.0	25,729.0	-	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	-	-	-	-
<b>Investment in others*</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	281.8	-	-	281.8
As at 31 <sup>st</sup> March, 2024	31st March, 2024	243.0	-	-	243.0
<b>Financial assets at FVTOCI</b>					
Interest Rate Swap Contracts					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	137.1	-	137.1	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	797.1	-	797.1	-
<b>Total Financial assets</b>	31st March, 2025	27,095.7	25,729.0	1,084.9	281.8
	31st March, 2024	1,074.1	-	831.1	243.0
<b>Financial liabilities</b>					
<b>Financial liabilities at FVTPL</b>					
<b>Foreign exchange forward contracts</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	353.8	-	353.8	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	82.0	-	82.0	-
<b>Total Financial liabilities</b>	31st March, 2025	353.8	-	353.8	-
	31st March, 2024	82.0	-	82.0	-

The table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

\* Movement in the value is on account of change in fair value of investment.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Valuation technique used to determine fair value of fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy are shown below:

Type	Valuation Technique
Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest rate / Currency swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating - rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the respective group entity and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or on credit spreads derived from current credit default swap or bond prices.
Investment in others	The valuation model considers the present value of expected payments, discounted using a current risk adjusted discount rate. They are classified as Level 3 Fair values.
Investment in mutual funds	The fair values of the mutual funds are based on net asset value as at reporting date

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. The Company has assessed whether its properties are exposed to physical risks, such as flooding and increasing wildfires, but believes that this is currently not the case. However, the Company believes it is, to some extent, impacted by transition risks, and, more specifically, increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings. The Company, therefore, takes into account necessary upgrades required to ensure future compliance with those requirements when measuring the fair value of investment properties (if any).

### 55 EVENTS AFTER THE REPORTING YEAR ENDED 31ST MARCH, 2025

The Management of the Company has evaluated all the activities of the Company till 25<sup>th</sup> July, 2025 and has noted the following material non-adjusting subsequent events:

- a. The Board of Directors of the Company at its meeting held on 14<sup>th</sup> February, 2025, accorded its approval for reclassification of Mr. Anuj N. Rathi Group (which includes Mr. Anuj N. Rathi - 6.93%, Mr. Narayandas J. Rathi - 0.56%, Mrs. Archana A. Rathi - Nil, Anuj N. Rathi (HUF) - Nil, and NJR Finance Private Limited - Nil) from 'Promoter/Promoter Group' category to 'Public' category pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"). Subsequent to the year end, the Stock Exchanges have provided their no objection / approval for the aforesaid reclassification vide letter dated 4<sup>th</sup> April, 2025. Further, the Shareholders of the Company have approved the aforesaid reclassification through an ordinary resolution passed by way of postal ballot mechanism on 24<sup>th</sup> May, 2025.
- b. The Board of Directors of the Company at its meeting held on 29<sup>th</sup> May, 2025, accorded its approval for reclassification of Mr. Pradeep R. Rathi Group (which includes Mr. Pradeep R. Rathi - 4.36%, Mr. Rahul P. Rathi - 3.85% and Mrs. Subhadra P. Rathi - Nil) from 'Promoter/Promoter Group' category to 'Public' category pursuant to the provisions of Regulation 31A of SEBI Listing Regulations, 2015. Subsequent to the year end, the Stock Exchanges have provided their no objection / approval for the aforesaid reclassification vide letter dated 15<sup>th</sup> July, 2025. Further, the Company is in the process of seeking approval of the Shareholders of the Company for the aforesaid reclassification.

## Notes to the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- c. Subsequent to the year end, the Board of Directors of the Company at its meeting held on 29<sup>th</sup> May, 2025, approved appointment of Mr. Rajesh Balkrishna Rathi (DIN: 00018628) as the Chairman of the Board of Directors of the Company effective from the close of business hours on 29<sup>th</sup> May, 2025. This appointment is in addition to his existing role as Managing Director of the Company. This change follows the resignation of Mr. Pradeep Ramwilas Rathi (DIN: 00018577) from the position of Chairman and as a Non-Executive, Non-Independent Director of the Company, which also became effective from the close of business hours on 29<sup>th</sup> May, 2025.
- d. Subsequent to the year end, the Company has completed vesting of 86,489 options pursuant to Sudarshan Employee Stock Option Plan, 2018. The same was duly approved at the meeting of the Nomination and Remuneration Committee of the Company held on 22<sup>nd</sup> April, 2025.
- 56** Additional regulatory information/disclosures as required by General Instructions to Division II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.
- 57** MCA has amended Rule 3 of the Companies (Accounts) Rules, 2014 (the "Accounts Rules") relating to the mode of keeping books of account and other books and papers in electronic mode through an amendment on 5<sup>th</sup> August, 2022. In compliance with the requirements of the amendment, the books of accounts and other relevant books and records are accessible in India at all times. Further, backup of books of account maintained in electronic form is kept in servers physically located in India on a daily basis.
- 58** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for changes, if any, made using certain administrative access rights to the SAP Hana software and SAP Hana database. These administrative rights were restricted to limited users. Further, these administrative access rights at the application level have been revoked and audit trail feature at database is enabled subsequent to the year end. Further, no instance of audit trail feature being tampered with was noted in respect of such accounting software where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.
- 59** The management has evaluated the likely impact of prevailing uncertainties relating to imposition or enhancement of reciprocal tariffs and believes that there are no material impacts on the financial statements of the Company for the year ended March 31, 2025. However, the management will continue to monitor the situation from the perspective of potential impact on the operations of the Company.

As per our report of even date attached

**For SRBC & COLLP**

Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**per Huzefa Ginwala**

Partner  
Membership No.:111757

Place: Pune  
Date : 25<sup>th</sup> July, 2025

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**S. P. Navandar**

Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

Place: Pune  
Date : 25<sup>th</sup> July, 2025

**R.B. Rathi**

Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
ICAI Membership  
No.:108532

**Mandar Velankar**

Company Secretary  
ICSI Membership No.:14469

# INDEPENDENT AUDITOR'S REPORT

To the Members of Sudarshan Chemical Industries Limited

## Report on the audit of the consolidated Ind AS financial statements

### Qualified Opinion

We have audited the consolidated Ind AS financial statements of Sudarshan Chemical Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures comprising of the consolidated Balance Sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, joint ventures, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' paragraph of our report the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Qualified Opinion

We draw your attention to note 55 to the consolidated Ind AS financial statements in respect of following qualification included in the audit report of Heubach Colorants India Limited, a subsidiary of the Holding Company, issued by other auditors vide their report dated July 16, 2025, and reproduced by us as under:

"We draw attention to Note 50 which describes that the Board of Directors is assessing the effect on the financial statements with respect to transfer of certain items of property, plant and equipment without due approval from the Board of Directors. Pending Management review and reconciliation, and in absence of an appropriate valuation of the aforesaid items, we are unable to comment on the consequential effects, if any, on the financial statements."

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group, joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' paragraph we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Timing of recognition of revenue (as described in note 2.3(f) (Summary of material accounting policies) and note 26 of notes forming part of the consolidated Ind AS financial statements)</b></p> <p>The Group manufactures and sells a wide range of goods such as organic, inorganic and effect pigments. Revenue from sale of goods is recognised net of discounts, rebates, sales return and taxes when control of the goods are transferred to the customer in accordance with the recognition and measurement principles of Ind AS 115.</p> <p>Determination of point in time when control of the goods is transferred to the customer involves establishing the present right to receive payment for the products, delivery specifications, shipping terms, timing of transfer of legal title of the goods and determination of the point of acceptance of goods by the customers. These considerations require exercise of significant judgements by the management.</p> <p>Considering the multitude and variety of contractual terms and significant judgments involved, determination of point in time of transfer of control of goods, has been identified as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>We and other auditors obtained an understanding of the Group's sales process, including design and implementation of controls and tested the operating effectiveness of these controls.</p> <p>We and other auditors read the Group's accounting policies pertaining to revenue recognition and assessed compliance with Ind AS 115 - Revenue from Contracts with Customers.</p> <p>We and other auditors obtained and read the terms of customer contracts on a sample basis to assess various performance obligations in the contract, the point in time of transfer of control of goods to customers and pricing terms.</p> <p>We and other auditors tested on a sample basis sales invoice for identification of point in time for transfer of control and terms of contract with customers. Further, we performed procedures to test on a sample basis whether revenue was recognized in the appropriate period (including at year end) by testing underlying sales orders, sales invoice copies, lorry receipts, shipping records, customer acceptances etc. and tested the management assessment involved in the process, wherever applicable.</p> <p>We and other auditors performed various analytical procedures to identify any unusual sales trends for further testing.</p> <p>We and other auditors assessed the disclosure relating to revenue in accordance with applicable accounting standards in the consolidated Ind AS financial statements of the Group.</p>
<p><b>Hedge accounting including valuations thereof (as described in note 2.3(s) (Summary of material accounting policies) and note 15, note 17, note 22 and note 48 of notes forming part of the consolidated Ind AS financial statements)</b></p> <p>The Holding Company enters into derivative instruments which comprise of interest rate swaps, cross currency swaps and also designates its foreign currency borrowings against highly probable forecasted export sales for hedge accounting to manage its foreign currency exposure.</p> <p>These instruments are measured at fair values at each reporting period resulting in derivative financial assets and derivative financial liabilities. The gain / loss on maturity/ termination of such derivative instruments is recorded in the statement of profit and loss along with the relevant hedged item.</p>	<p>Our audit procedures included the following:</p> <p>We obtained understanding of the Holding Company's overall hedge accounting strategy, derivative instrument valuation and hedge accounting process from initiation to settlement of derivative instruments including assessment of the design and implementation of controls and tested the operating effectiveness of these controls.</p> <p>We read the Holding Company's accounting policy for hedge accounting in accordance with relevant accounting standards.</p> <p>We tested the existence of derivative instruments by tracing to the independent confirmations obtained from respective banks.</p>

Key audit matters	How our audit addressed the key audit matter
<p>Considering the significant complexities and judgements involved in estimating highly probable forecasted sales transactions, future foreign exchange rates, determination of effectiveness of hedge and the fact that these transactions have a significant financial effect and extensive accounting and disclosure requirements, hedge accounting has been identified as a key audit matter.</p>	<p>We tested management's hedge documentation and contracts, on a sample basis.</p> <p>We tested on a sample basis the fair values of derivative instruments recorded by the Holding Company with the independent balance confirmations obtained from banks.</p> <p>We involved valuation specialists in re-performing the year-end fair valuations including evaluation of hedge effectiveness of derivative instruments on a sample basis and compared these valuations with those recorded by the Holding Company and assessed the valuation methodology and key assumptions used therein.</p> <p>We assessed the disclosure is in accordance with applicable accounting standards in the consolidated Ind AS financial statements of the Holding Company.</p>
<p><b><i>Determination of fair value of acquired assets including intangible assets, and liabilities assumed in accordance with Ind AS 103 – 'Business Combinations' (as described in note 2.3(b) (summary of material accounting policies) and note 44 of notes forming part of the consolidated Ind AS financial statements)</i></b></p>	
<p>Sudarshan Europe B.V. ("SEBV"), a wholly owned subsidiary of the Holding Company acquired the global pigment business operations of the Heubach Group of Germany on March 03, 2025, for a purchase consideration of INR 138,990.0 lakhs.</p> <p>The accounting for this transaction includes significant judgement, estimates, and assumptions as to whether the acquisition is in the nature of 'business' or 'asset', identification and fair valuation of acquired assets including intangible assets, and liabilities assumed, consequent allocation of the purchase price to the assets and liabilities arising from this transaction, and management's use of external valuation experts.</p> <p>Considering the significance of the transaction and significant estimates and judgements involved, we have identified the determination of fair value of acquired assets including intangible assets, and liabilities assumed as a key audit matter.</p>	<p>Our procedures included the following:</p> <p>We obtained an understanding of the Holding Company's process, including design and implementation of controls over the accounting of business combinations and tested the design and operating effectiveness of these controls.</p> <p>We read the Holding Company's accounting policies pertaining to business combination and assessed compliance with Ind AS 103 - Business Combinations.</p> <p>We obtained and read relevant transaction agreements, meeting minutes and the underlying documentation for the consideration paid to assess that the accounting treatment is in accordance with the requirements of Ind AS - 103 Business Combinations.</p> <p>We obtained and read the report of the management's expert to evaluate the reasonableness of the methodology and key assumptions used by management and its expert for identification and fair valuation of the acquired assets including intangible assets, and liabilities assumed by corroborating this identification with our understanding of the business based on our discussion with the management.</p> <p>We evaluated the competence and objectivity of the management's experts.</p> <p>We obtained an understanding of the purchase price allocation process followed by the management.</p> <p>We tested the arithmetical accuracy of management's calculations of capital reserve.</p> <p>We involved internal valuation experts to review the reasonableness of the valuation methodology and key assumptions used by the management and its expert in the determination of fair value of the acquired assets including intangible assets, and liabilities assumed.</p> <p>We assessed the related disclosures relating to business combination in accordance with applicable accounting standards in the consolidated Ind AS financial statements of the Group.</p>

Key audit matters	How our audit addressed the key audit matter
<p><b>Assessment of contingencies and provision relating to ongoing litigations for Direct Tax, Indirect tax and other matters in respect of Heubach Colorants India Limited (as described in note 39 of notes forming part of the consolidated Ind AS financial statements)</b></p> <p>The auditors of Heubach Colorants India Limited, a step-down subsidiary of the Holding Company, have reported assessment of contingencies and provision relating to ongoing litigations for Direct Tax, Indirect tax and other matters as a key audit matter on account of the following reasons:</p> <p>The step-down subsidiary has various ongoing Direct tax, Indirect tax and other matters under litigation.</p> <p>The assessment of the likely outcome of the tax and other matters and related outflow of resources that are probable, involve significant management judgment and uncertainty of assumptions, since they are based on the application and interpretation of law.</p> <p>This has been considered to be a key audit matter because of the significant impact on the financial statements and uncertainty of the possible outcomes.</p>	<p>The step-down subsidiary's auditors (being other firm of chartered accountants) have performed the audit procedures including but not limited to the following:</p> <p>Obtained a detailed understanding of the management's process for determining provisions and contingent liabilities pertaining to tax claims and other litigation disputes.</p> <p>Verified the design, implementation and operating effectiveness of controls in respect of assessment of direct tax, indirect tax, other matters and provisions related thereon, if any.</p> <p>Obtained the details and understood the nature of tax positions and litigations pending against the Company by reading the minutes of various meetings and discussing the developments during the year for litigations with the Management, the Audit Committee and management expert for the future course of action by the Company.</p> <p>Read the orders received by the Company from the tax authorities and opinions sought from the management's experts.</p> <p>Involved auditor's tax experts to assist them in the assessment of the possible outcome of certain cases, evaluation of underlying assumptions in estimating the tax provisions and related expenses thereon.</p> <p>Evaluated the evidence supporting the management's judgment about possible outcomes and the reasonableness of the estimates made by them.</p> <p>Assessed and validated the appropriateness and adequacy of disclosures in the financial statements in compliance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and Ind AS 12 Income Tax.</p>

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

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we

are required to report that fact. As described in the 'Basis for Qualified Opinion' paragraph above, we are unable to comment on the consequential effects, if any, on the consolidated Ind AS financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

### Responsibilities of Management and Those Charged with Governance for the consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards)

Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the financial reporting process of their respective companies.

#### **Auditor's responsibilities for the audit of the consolidated Ind AS financial statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures 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 Ind AS 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 and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 and its joint ventures of which we are the independent auditors. For other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

- a) We did not audit the financial statements and other financial information, in respect of fifty-seven (57) subsidiaries whose financial statements include total assets of INR 7,82,199.7 lakhs as at March 31, 2025, and total revenues of INR 1,31,727.9 lakhs and net cash inflows of INR 1,07,591.8 lakhs for the year ended on that date. Those financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of INR 45.2 lakhs for the year ended March 31, 2025, as considered in the consolidated Ind AS financial statements, in respect of one (1) joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of such other auditors.
- b) The consolidated Ind AS financial statements also include the Group's share of net profit of INR 241.4 lakhs for the year ended March 31, 2025, as considered in the consolidated Ind AS financial statements, in respect of one (1) joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us

by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the consolidated Ind AS financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries and joint venture, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries and joint venture, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
  - (a) Except for the matter described in the Basis for Qualified Opinion paragraph, we / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
  - (b) Except for the matter described in the Basis for Qualified Opinion paragraph and except with respect to one subsidiary company, as disclosed in note 55 to the consolidated Ind AS financial statements, the back-up of books of account was not kept in servers physically located in India on a daily basis as stated in note 40(f) to the consolidated Ind AS financial statements and for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in

- agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) Except for the possible effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) 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 Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiaries and joint venture, none of the directors of the Group's companies, and its joint venture, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (h) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries and joint venture, incorporated in India and to the extent applicable, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (i) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries and joint venture, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate Ind AS financial statements of the subsidiaries, and joint ventures, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and its joint ventures in its consolidated Ind AS financial statements – Refer note 39 to the consolidated Ind AS financial statements;
  - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) note 15 and note 22 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, and its joint ventures and (b) the Group's share of net profit or loss in respect of its joint ventures;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint ventures, incorporated in India during the year ended March 31, 2025;
  - iv.
    - a) The respective managements of the Holding Company, its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, other than as disclosed in the note 40(e) to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint venture to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The respective managements of the Holding Company, its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, other than as disclosed in the note 40(e) to the consolidated Ind AS financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, and joint ventures from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing

or otherwise, that the Holding Company or any of such subsidiaries and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend paid by the Holding Company and joint venture incorporated in India, during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend;

As stated in note 18 to the consolidated Ind AS financial statements, the respective Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and joint venture which are companies incorporated in India whose Ind AS financial statements

have been audited under the Act, except for the instances discussed in note 40(g) to the consolidated Ind AS financial statements, the Holding Company, its subsidiaries and joint venture have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, except for the instances discussed in note 40(g) to the consolidated Ind AS financial statements, we and respective auditors of the above referred subsidiaries and joint venture, did not come across any instance of audit trail feature being tampered in respect of other accounting software where the audit trail has been enabled.

Additionally, except for the instances discussed in note 40(g) to the consolidated Ind AS financial statements, the audit trail of relevant prior year has been preserved by the Holding Company and the above referred subsidiaries and joint venture as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective year as stated in note 40(g) to the consolidated Ind AS financial statements.

For **SRBC & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Huzefa Ginwala**  
Partner

Membership Number: 111757  
UDIN: 25111757BMIWIK1503

Place of Signature: Pune

Date: July 25, 2025

**Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the consolidated financial statements**

Re: Sudarshan Chemical Industries Limited (‘the Company’)

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

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr. No.	Name	CIN	Relationship with Holding Company	Clause number of the CARO report which is qualified or is adverse
1.	Heubach Colorants India Limited	L24110MH1956PLC010806	Subsidiary of the Holding Company	(i)(a)(A), (xi)(a), (xi)(c)
2.	Heubach Pigments Private Limited	U24290GJ2020PTC113524	Subsidiary of the Holding Company	(xix)

For **S R B C & CO LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number: 324982E/E300003

per **Huzefa Ginwala**  
 Partner

Membership Number: 111757  
 UDIN: 25111757BMIWIK1503

Place of Signature: Pune

Date: July 25, 2025

**Annexure 2 referred in paragraph 2(h) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date**

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

In conjunction with our audit of the consolidated Ind AS financial statements of Sudarshan Chemical Industries Limited (hereinafter referred to as the “Holding Company”) as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its joint venture, which are companies incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the companies included in the Group and its joint venture, 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 Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to

consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

### **Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements**

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

### **Opinion**

In our opinion, the Group and its joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to six (6) subsidiaries, and one (1) joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, and joint venture incorporated in India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Huzefa Ginwala**

Partner

Membership Number: 111757

UDIN: 25111757BMIWIK1503

Place of Signature: Pune

Date: July 25, 2025

## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	3	2,20,619.4	1,03,974.8
(b) Capital work-in-progress	3	14,018.6	1,454.3
(c) Goodwill	4	684.4	684.4
(d) Other intangible assets	4	13,090.8	2,866.5
(e) Intangible assets under development	4	22.6	3.7
(f) Right-of-use assets	5	61,368.6	2,629.3
(g) Investments accounted for using equity method	6	21,021.5	-
(h) Financial assets			
i Investments	7	913.3	244.1
ii Loans	11	173.1	-
iii Derivative instruments	15	10.8	127.6
iv Other financial assets	8	3,670.4	833.2
(i) Income tax assets (net)	25	3,894.9	1,657.2
(j) Deferred tax assets (net)	25	5,896.9	921.7
(k) Other non-current assets	9	10,975.1	778.4
		<b>3,56,360.4</b>	<b>1,16,175.2</b>
<b>II Current assets</b>			
(a) Inventories	10	2,46,518.1	43,760.0
(b) Financial assets			
i Investments	7	32,818.1	-
ii Loans	11	38.6	-
iii Trade receivables	12	1,22,495.2	58,531.9
iv Cash and cash equivalents	13	1,10,432.5	4,723.7
v Bank balances other than (iv) above	14	40,692.9	866.8
vi Derivative instruments	15	1,074.1	703.5
vii Other financial assets	8	7,632.3	753.1
(c) Other current assets	9	55,008.9	9,989.0
		<b>6,16,710.7</b>	<b>1,19,328.0</b>
<b>Total assets</b>		<b>9,73,071.1</b>	<b>2,35,503.2</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A Equity</b>			
(a) Equity share capital	16	1,571.5	1,384.5
(b) Other equity	17	3,42,433.5	1,13,519.2
<b>Equity attributable to owners of the parent</b>		<b>3,44,005.0</b>	<b>1,14,903.7</b>
(c) Non-controlling interests	45	59,824.9	-
<b>Total equity</b>		<b>4,03,829.9</b>	<b>1,14,903.7</b>
<b>B Liabilities</b>			
<b>I Non-current liabilities</b>			
(a) Financial liabilities			
i Borrowings	19	1,63,188.9	19,331.5
ii Lease liabilities	5	24,779.6	2,267.9
iii Other financial liabilities	21	411.8	161.3
(b) Provisions	23	59,324.3	3,175.0
(c) Deferred tax liabilities (net)	25	29,401.3	9,111.6
(d) Other non-current liabilities	24	679.9	302.8
		<b>2,77,785.8</b>	<b>34,350.1</b>
<b>II Current liabilities</b>			
(a) Financial liabilities			
i Borrowings	19	45,277.5	24,761.5
ii Lease liabilities	5	4,506.1	345.6
iii Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	5,722.7	6,121.6
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	1,34,122.3	45,083.0
iv Derivative instruments	22	353.8	82.0
v Other financial liabilities	21	63,452.1	4,262.4
(b) Provisions	23	11,324.0	349.5
(c) Other current liabilities	24	17,955.4	4,977.0
(d) Current tax liabilities (net)	25	8,741.5	266.8
		<b>2,91,455.4</b>	<b>86,249.4</b>
<b>Total liabilities</b>		<b>5,69,241.2</b>	<b>1,20,599.5</b>
<b>Total equity and liabilities</b>		<b>9,73,071.1</b>	<b>2,35,503.2</b>
Summary of material accounting policies	2		

The accompanying notes form an integral part of the Financial Statements.  
 As per our report of even date attached

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**For S R B C & CO LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number:  
 324982E/E300003

**S. P. Navandar**  
 Independent Director &  
 Audit Committee Chairperson  
 DIN No. 02804964

**R.B. Rathi**  
 Chairman &  
 Managing Director  
 DIN No. 00018628

**Nilkanth Natu**  
 Chief Financial Officer  
 ICAI Membership  
 No.:108532

**per Huzefa Ginwala**  
 Partner  
 Membership No.:111757

**Mandar Velankar**  
 Company Secretary  
 ICSI Membership No.:14469

Place: Pune  
 Date : 25<sup>th</sup> July, 2025

Place: Pune  
 Date : 25<sup>th</sup> July, 2025

## Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>I. Income</b>			
(a) Revenue from operations	26	3,34,557.5	2,53,877.7
(b) Other income	27	3,341.3	1,708.6
<b>Total income</b>		<b>3,37,898.8</b>	<b>2,55,586.3</b>
<b>II. Expenses</b>			
(a) Cost of materials consumed	28	3,31,774.0	1,38,049.3
(b) Purchase of stock-in-trade	29	1,792.1	1,923.5
(c) Changes in inventories of finished goods and work-in-progress	30	(1,56,194.5)	1,566.5
(d) Employee benefits expense	31	35,601.9	20,995.0
(e) Finance costs	32	4,828.6	3,690.2
(f) Depreciation and amortisation expense	33	16,621.9	14,116.7
(g) Other expenses	34	83,481.8	59,702.2
<b>Total expenses</b>		<b>3,17,905.8</b>	<b>2,40,043.4</b>
<b>III. Profit before exceptional items, share of profit of joint ventures, and tax (I - II)</b>		<b>19,993.0</b>	<b>15,542.9</b>
<b>IV. Share of profit of joint ventures, (net of taxes)</b>		<b>286.6</b>	-
<b>V. Profit before exceptional items and tax (III + IV)</b>		<b>20,279.6</b>	<b>15,542.9</b>
<b>VI. Exceptional items (expenses) / income</b>	49	<b>(10,362.5)</b>	<b>31,510.1</b>
<b>VII. Profit before tax (V + VI)</b>		<b>9,917.1</b>	<b>47,053.0</b>
<b>VIII. Tax expense</b>	25		
(a) Current tax		8,211.6	9,456.2
(b) Adjustment of tax related to earlier period (net)		348.1	-
(c) Deferred tax (credit) / expense		(4,659.1)	1,852.1
<b>Total tax expense</b>		<b>3,900.6</b>	<b>11,308.3</b>
<b>IX. Profit for the year (VII - VIII)</b>		<b>6,016.5</b>	<b>35,744.7</b>
<b>X. Other comprehensive income (OCI)</b>	37		
<b>(a) Items that will not be reclassified to profit or loss</b>			
(i) Re-measurement gains / (losses) on defined benefit plans		508.6	(187.2)
Income tax effect		(43.9)	47.1
(ii) Gain on bargain purchase	44	1,24,385.1	-
		<b>1,24,849.8</b>	<b>(140.1)</b>
<b>(b) Items that will be reclassified to profit or loss</b>			
(i) Net movement on effective portion of cash flow hedges		1,240.2	20.0
Income tax effect		166.1	(149.2)
(ii) Gain / (loss) on translation of foreign operations		(2,743.3)	10.4
		<b>(1,337.0)</b>	<b>(118.8)</b>
<b>Other comprehensive income / (loss) for the year (net of taxes)</b>		<b>1,23,512.8</b>	<b>(258.9)</b>
<b>XI. Total comprehensive income for the year (net of taxes) (IX + X)</b>		<b>1,29,529.3</b>	<b>35,485.8</b>
<b>XII. Profit for the year attributable to:</b>			
- Owners of the parent		5,575.3	35,744.7
- Non-controlling interest		441.2	-
		<b>6,016.5</b>	<b>35,744.7</b>
<b>XIII. Other comprehensive income for the year attributable to:</b>			
- Owners of the parent		1,23,533.2	(258.9)
- Non-controlling interest		(20.4)	-
		<b>1,23,512.8</b>	<b>(258.9)</b>
<b>XIV. Total comprehensive income for the year attributable to:</b>			
- Owners of the parent		1,29,108.5	35,485.8
- Non-controlling interest		420.8	-
		<b>1,29,529.3</b>	<b>35,485.8</b>
<b>XV. Earnings per share</b>	36		
<b>[Nominal value per share ₹2 (31<sup>st</sup> March 2024 - ₹2)]</b>			
Basic (in ₹)		7.9	51.6
Diluted (in ₹)		7.9	51.6
Summary of material accounting policies	2		

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**S. P. Navandar**  
Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R.B. Rathi**  
Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**  
Chief Financial Officer  
ICAI Membership  
No.:108532

**per Huzefa Ginwala**  
Partner  
Membership No.:111757

**Mandar Velankar**  
Company Secretary  
ICSI Membership No.:14469

Place: Pune  
Date : 25<sup>th</sup> July, 2025

Place: Pune  
Date : 25<sup>th</sup> July, 2025

## Consolidated Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Cash flow from operating activities</b>		
Profit before exceptional items and tax	20,279.6	15,542.9
Exceptional items (expenses) / income	(10,362.5)	31,510.1
	<b>9,917.1</b>	<b>47,053.0</b>
<b>Adjustment to reconcile profit before exceptional items and tax to net cash flow</b>		
Share of profit of joint ventures, (net of taxes)	(286.6)	-
Depreciation and amortisation expense	16,621.9	14,116.7
Loss / (gain) on sale / disposal of property plant and equipment - Exceptional item	-	(31,510.1)
Loss / (gain) on sale / disposal of property plant and equipment	(62.6)	(9.0)
Net gain on fair valuation on financial instruments	(38.8)	(38.8)
Liabilities no longer required, written back	(102.3)	(107.3)
Share based payment expenses	-	126.1
Unrealised foreign exchange loss / (gain)	(1,607.9)	(23.7)
Net gain on sale of financial instruments	(1,075.0)	(833.5)
Provision / (reversal) for net realisable value	2,261.4	266.1
Fair value (gain) / loss on derivatives	(642.0)	114.2
Impairment losses on financial instruments	895.0	(142.9)
Bad-debt written off	116.6	-
Finance costs	4,814.7	3,690.2
Interest income	(416.7)	(405.6)
<b>Operating profit before working capital changes</b>	<b>30,394.8</b>	<b>32,295.4</b>
<b>Working capital adjustments :</b>		
Increase / (decrease) in trade payables	21,766.6	412.6
Increase / (decrease) in provisions	606.4	244.1
Increase / (decrease) in other liabilities	3,990.3	(2,068.0)
Increase / (decrease) in other financial liabilities	13,481.1	510.3
(Increase) / decrease in trade receivables	(12,374.8)	(9,653.4)
(Increase) / decrease in inventories	(18,639.9)	5,381.8
(Increase) / decrease in other assets	(20,082.1)	555.8
(Increase) / decrease in other financial assets	(3,784.6)	(16.8)
(Increase) / decrease in other bank balances	(3,402.3)	35.3
<b>Cash generated from operations</b>	<b>11,955.5</b>	<b>27,697.1</b>
Income taxes paid (net of refunds) including tax related to exceptional items	(8,251.8)	(8,351.6)
<b>Net cash flow from operating activities (A)</b>	<b>3,703.7</b>	<b>19,345.5</b>
<b>Cash flows from investing activities :</b>		
Purchases of property, plant and equipment, intangible assets, intangible assets under development (including net movement in capital work in progress, capital advances and payable for capital goods)	(9,456.6)	(7,847.3)
Proceeds from sale of property, plant and equipment and intangible assets and assets held for sale, net of incidental expenses (Previous year included proceed received from exceptional item)	129.2	34,540.3
Investment in fixed deposits	(45,757.7)	-
Transfer to escrow account, earmarked for open offer	(36,150.0)	-
Redemption of fixed deposits	48,084.7	-
Consideration paid on account of business combination net of cash and cash equivalents acquired	(89,760.4)	-
Amount paid towards share application	(176.8)	-

## Consolidated Statement of Cash Flows (contd.) for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Investments in financial instruments (mutual funds)	(1,53,891.4)	(26,500.0)
Proceeds from sale of financial instruments (mutual funds)	1,31,723.8	27,333.5
Interest received	416.7	405.6
<b>Net cash flow generated (used in) / from investing activities (B)</b>	<b>(1,54,838.5)</b>	<b>27,932.1</b>
<b>Cash flows from financing activities :</b>		
Proceeds from long-term borrowings	1,58,876.9	-
Repayment of long-term borrowings	(14,294.8)	(26,682.9)
Net Proceeds / (repayments) from short-term borrowings	20,516.0	(10,628.0)
Dividend paid to owners of the parents	(919.5)	(3,329.1)
Proceeds from issue of shares (including securities premium)	99,500.0	-
Transaction cost on issue of equity shares	(1,292.7)	-
Proceeds from issue of share warrants	2,498.4	-
Finance costs paid	(4,453.9)	(3,500.7)
Payment of principal portion of lease liabilities	(843.5)	(452.4)
<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>2,59,586.9</b>	<b>(44,593.1)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>1,08,452.1</b>	<b>2,684.5</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4,723.7</b>	<b>2,039.2</b>
Net foreign exchange difference	(2,743.3)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>1,10,432.5</b>	<b>4,723.7</b>
<b>Cash and cash equivalents (refer note 13)</b>		
Cash on hand	13.0	9.7
Deposits with original maturity of less than three months	16,157.7	-
Balance with banks (on current account)	94,261.8	4,714.0
<b>Total</b>	<b>1,10,432.5</b>	<b>4,723.7</b>

**Notes :** The above Statement of Cash Flows has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**For S R B C & COLL P**

Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**S. P. Navandar**

Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R.B. Rathi**

Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
ICAI Membership  
No.:108532

**per Huzefa Ginwala**

Partner  
Membership No.:111757

**Mandar Velankar**

Company Secretary  
ICSI Membership No.:14469

Place: Pune

Date : 25<sup>th</sup> July, 2025

Place: Pune

Date : 25<sup>th</sup> July, 2025

## Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### A. Equity Share Capital

Equity shares of ₹2 each issued, subscribed and fully paid

Particulars	As at 31 <sup>st</sup> March, 2025					As at 31 <sup>st</sup> March, 2024				
	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year (refer note 16 (h) and (i))	Balance at the end of the reporting period	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Share capital amount (in ₹ Lakhs)	1,384.5	-	-	187.0	1,571.5	1,384.5	-	-	-	1,384.5
Number of shares	6,92,27,250	-	-	93,45,635.0	7,85,72,885	6,92,27,250	-	-	-	6,92,27,250

### B. Other Equity

Particulars	Reserves and Surplus				Items of OCI		Money received against share warrants	Total other equity attributable to owners of the parent	Non-controlling interests (refer note 45)	Total other equity
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings*	Share options outstanding reserve				
<b>Balance as at 1<sup>st</sup> April, 2023</b>	<b>1,321.2</b>	<b>0.4</b>	<b>410.0</b>	<b>21,340.5</b>	<b>59,499.4</b>	<b>337.1</b>	<b>939.0</b>	<b>(2,409.7)</b>	<b>-</b>	<b>81,437.9</b>
Profit for the year	-	-	-	-	35,744.7	-	-	-	-	35,744.7
Other comprehensive income (net of taxes) (refer note 37)	-	-	-	-	(140.1)	-	10.4	(129.2)	-	(258.9)
Amortized amount of share based payments (ESOPs) to employees (refer note 46)	-	-	-	-	-	126.1	-	-	-	126.1
Others	-	-	(400.0)	-	400.0	-	-	-	-	-
<b>Total comprehensive income for the year ended 31<sup>st</sup> March 2024</b>	<b>-</b>	<b>-</b>	<b>(400.0)</b>	<b>-</b>	<b>36,004.6</b>	<b>126.1</b>	<b>10.4</b>	<b>(129.2)</b>	<b>-</b>	<b>35,611.9</b>

## Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus				Items of OCI		Money received against share warrants	Total other equity attributable to owners of the parent	Non-controlling interests (refer note 45)	Total other equity
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings*	Share options outstanding reserve				
<b>Transactions with equity holders, recorded directly in equity</b>										
Equity dividend (refer note 18)	-	-	-	-	(1,038.4)	-	-	(1,038.4)	-	(1,038.4)
Interim equity dividend (refer note 18)	-	-	-	-	(2,492.2)	-	-	(2,492.2)	-	(2,492.2)
<b>Total distributions to equity holders</b>	-	-	-	-	<b>(3,530.6)</b>	-	-	<b>(3,530.6)</b>	-	<b>(3,530.6)</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1,321.2</b>	<b>0.4</b>	<b>10.0</b>	<b>21,340.5</b>	<b>91,973.4</b>	<b>463.2</b>	<b>949.4</b>	<b>1,13,519.2</b>	-	<b>1,13,519.2</b>
Profit for the year	-	-	-	-	5,575.3	-	-	5,575.3	441.2	6,016.5
Other comprehensive income (net of taxes) (refer note 37)	-	-	-	-	464.7	-	(2,743.3)	(872.3)	(20.4)	(892.7)
Amortized amount of share based payments (ESOPs) to employees (refer note 46)	-	-	-	-	215.4	(215.4)	-	-	-	-
Additions on account of business combination (refer note 44)	-	1,24,385.1	-	-	-	-	-	1,24,385.1	-	1,24,385.1
<b>Total comprehensive income for the year ended 31<sup>st</sup> March 2025</b>	<b>-</b>	<b>1,24,385.1</b>	<b>-</b>	<b>-</b>	<b>6,255.4</b>	<b>(215.4)</b>	<b>(2,743.3)</b>	<b>1,29,088.1</b>	<b>420.8</b>	<b>1,29,508.9</b>
<b>Transactions with equity holders, recorded directly in equity</b>										
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	59,404.1	59,404.1
Equity dividend (refer note 18)	-	-	-	-	(692.3)	-	-	(692.3)	-	(692.3)
Share warrants issued (refer note 17(h))	-	-	-	-	-	-	-	2,498.4	-	2,498.4

## Consolidated Statement of Changes in Equity

(All amounts are in ₹ Lakhs, unless otherwise stated)

for the year ended 31<sup>st</sup> March, 2025

Particulars	Reserves and Surplus				Items of OCI			Total other equity attributable to owners of the parent	Non-controlling interests (refer note 45)	Total other equity		
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings*	Share options outstanding reserve	Foreign currency translation reserve				Effective portion of cash flow hedge	Money received against share warrants
Transaction costs on issue of equity shares (refer note 16(h) and (i))	(1,292.7)	-	-	-	-	-	-	-	-	(1,292.7)	-	(1,292.7)
Premium on equity shares issued through qualified institutional placement (refer note 16(h))	79,850.3	-	-	-	-	-	-	-	-	79,850.3	-	79,850.3
Premium on equity shares issued through preferential issue (refer note 16(i))	19,462.5	-	-	-	-	-	-	-	-	19,462.5	-	19,462.5
<b>Total distributions to equity holders</b>	<b>98,020.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(692.3)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,498.4</b>	<b>99,826.2</b>	<b>59,404.1</b>	<b>1,59,230.3</b>
<b>Balance as at 31<sup>st</sup> March, 2025</b>	<b>99,341.3</b>	<b>1,24,385.5</b>	<b>10.0</b>	<b>21,340.5</b>	<b>97,536.5</b>	<b>247.8</b>	<b>(1,793.9)</b>	<b>(1,132.6)</b>	<b>2,498.4</b>	<b>3,42,433.5</b>	<b>59,824.9</b>	<b>4,02,258.4</b>

\* includes re-measurement of defined employee benefit plans

There are no prior period errors during the current year and previous year.

The accompanying notes form an integral part of the Financial Statements.  
As per our report of even date attached

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**per Huzefa Ginwala**  
Partner  
Membership No.:111757

Place: Pune  
Date : 25<sup>th</sup> July, 2025

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**S. P. Navandar**  
Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R. B. Rathi**  
Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**  
Chief Financial Officer  
ICAI Membership  
No.:108532

**Mandar Velankar**  
Company Secretary  
ICSI Membership No.:14469

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 1. Corporate Information:

The consolidated financial statements comprise financial statements of "Sudarshan Chemical Industries Limited" ("the Company" or "the Holding Company"), its subsidiaries, and joint ventures (collectively referred to as "the Group") for the year ended 31<sup>st</sup> March 2025. The Company is a Public Limited Company domiciled in India. The Company was incorporated as a Private Limited Company on 19<sup>th</sup> February 1951. The name of the Company was changed to Sudarshan Chemical Industries Limited on 15<sup>th</sup> May, 1975. Equity shares of the Company were listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') since February 02, 1977 and May 25, 1995 respectively.

The CIN number of the Company is L24119PN1951PLC008409. The Company's Equity Shares are listed on the BSE and NSE. The registered office of the Company is located at 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India.

The Group manufactures, sells and trades in a wide range of Organic, Inorganic and Effect Pigments. The Group also manufactures and sells Pollution Control Equipment, Size Reduction Equipment and Grinding Equipment for industrial applications.

The Consolidated Financial Statements of the Group for the year ended 31<sup>st</sup> March 2025 were approved for issue in accordance with a resolution of the Board of Directors on 25<sup>th</sup> July, 2025.

### 2. Material Accounting policies:

#### 2.1 Statement of Compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to consolidated financial statements.

Accordingly, the Group has prepared these consolidated financial statements which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2025, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information

(together hereinafter referred to as "Consolidated Financial Statements" or "financial statements"). These financial statements are approved for issue by the Board of Directors on 25<sup>th</sup> July 2025.

#### 2.2 Basis of preparation:

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the consolidated financial statements of the Group.

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

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans – plan assets measured at fair value. Refer Note 51.
- Contingent consideration arising in business combination.
- Entities whose functional currencies are the currencies of hyperinflationary economies and are adjusted in terms of the measuring unit current at the end of the reporting period. Refer Note 52 for further details.
- Equity settled ESOP at grant date fair value (refer note 51)

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The consolidated financial statements are presented in INR and all values are rounded to the nearest lakhs (₹00,000), except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 2.3 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31<sup>st</sup> March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments

are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidated financial statements present assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries as those of a single economic entity. In preparing these consolidated financial statements, below key consolidation procedures are followed:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, assets, liabilities, equity, income, expenses and cash flows of subsidiaries are based on the amounts of the assets and liabilities determined as per the Business Combination policy and recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- (d) In case of foreign subsidiaries, revenue items are consolidated at the functional currency spot rates at the date the transaction first qualifies for recognition. All assets and liabilities are converted at rates prevailing at the end of the reporting period. Any exchange difference arising on consolidation

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

is recognised in the Foreign Currency Translation Reserve (FCTR).

- (e) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

### 2.3 Summary of material accounting policies:

#### (a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

#### (b) Business combinations, Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 - Income Tax and Ind AS 19 - Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

arrangements of the acquiree are measured in accordance with Ind AS 102 - Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

When additional payments contingent on future events are negotiated and agreed as part of the business combination agreement, the entity analyses the nature as well as economic substance of these payments, particularly, payments made to those who remain as employees of the business after it is acquired, to determine whether these whether they are in the nature of payment for future employee services or they represent contingent consideration for business combination. In the former case, depending on the exact terms of the arrangement, the payments to be made are accounted for as remuneration for services to be received subsequent to the acquisition, rather than as part of the consideration paid for the business. Any contingent consideration to be transferred by the acquirer, i.e., contingent payment to be treated as such, is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 - Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

### (c) Investment in joint venture:

The group holds an interest in joint ventures - Heubach Toyo Colour Private Limited, and Hangzhou Baihe Heubach Pigments Co. Ltd. The financial statements of Heubach Toyo Colour Private Limited, and Hangzhou Baihe Heubach Pigments Co. Ltd. are prepared for the same reporting period as the Group. The accounting policies of these entities are aligned with those of the Group.

Therefore, no adjustments are made when measuring and recognising the Group's share of the profit or loss of the investees after the date of acquisition.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The results, assets, and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a jointly controlled entity is initially recognised at cost and adjusted thereafter to recognise the Group's share of post-acquisition profits or losses and that of other comprehensive income of the jointly controlled entity. Distributions received from a jointly controlled entity reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the Group, jointly controlled entities are eliminated to the extent of the interest in the jointly controlled entity. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit/(loss) of joint ventures' in the statement of profit or loss.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown separately on the face of the statement of profit and loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of joint venture' in the statement of profit and loss.

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (d) Foreign currencies:

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency and presentation currency of the Group is Indian National Rupee (INR). The Group's financial statements are presented in INR. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

### (i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Exchange differences arising on settlement or translation of monetary items are recognised in the Consolidated Statement of Profit and Loss exception to the following:

- Extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalised as cost of assets.
- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI and accumulated in equity in a separate reserve, viz., Foreign Currency Translation Reserve. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Consolidated Statement of Profit and Loss are also recognised in Other Comprehensive Income (OCI) or Consolidated Statement of Profit and Loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense, or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

### (ii) Group Companies

The results and financial position of foreign operations (except group subsidiaries in Argentina and Turkey which has currency of hyperinflation (refer policy described in note z below), none of the Group's subsidiary and joint ventures has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. All resulting exchange differences are recognised in other comprehensive income.

### (e) Fair value measurement:

The Group measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group. 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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. 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:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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 re-assessing 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.

The Group determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2, 50 and 51)
- Quantitative disclosures of fair value measurement hierarchy (note 51)
- Investment in unquoted equity shares (note 7)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (f) Revenue:

#### (i) Revenue from contracts with customers:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to the customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government).

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 0-180 days from the shipment or delivery of goods or services as the case may be.

The Group does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised goods or services will be transferred to the customer within a period of one year.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.3 (z).

The Group has following streams of revenue:

#### (1) Revenue from sale of goods:

If the criteria for revenue under over-a-period of time as mentioned below in 'revenue from projects' are not met, the Group recognises revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, inco-terms the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effect of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.

#### (2) Revenue from projects:

In relation to Group's revenue from manufacture and sale of pollution control equipment, size reduction equipment and pneumatic conveying systems, the equipment are customised based on specific customer requirements. Most of such revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. In respect of customised products based on specific customer requirement, each equipment/ system is considered as a separate performance obligation.

The Group may promise to provide distinct goods or services within a contract, in which case the Group separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Group allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Group uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

- The customer simultaneously consumes the benefits as the Group performs, or
- The customer controls the work-in-progress, or
- The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

The Group recognizes revenue over time as the Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for the performance completed till date.

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(All amounts are in ₹ Lakhs, unless otherwise stated)

The Group uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Group recognizes the expected losses from onerous contract as an expense immediately.

### (3) Revenue from services

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

#### Contract balances

- (1) **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section r) Financial instruments – initial recognition and subsequent measurement.
- (2) **Trade receivables:** A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 2.3 (r) Financial instruments.
- (3) **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration in form of advance (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs the obligation as per the contract.

### (ii) Export incentive (government grant):

Income from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

### (iii) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (iv) Dividend income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

### (v) Other income:

Insurance claims are accounted on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims. Other income is recognised when it is received or when the right to receive payment is established.

### (g) Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and is allocated to the Consolidated Statement of Profit and Loss over the periods and in the proportions in which depreciation on those assets is charged.

### (h) Taxes:

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (i) Current tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the balance sheet date. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

### (ii) Deferred tax:

Deferred tax is provided using the balance-sheet approach on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred Tax Assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences ("outside-basis differences") can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside the Consolidated Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI / capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

At each balance sheet date, the Group assesses whether the realisation of future tax benefits is sufficiently probable to recognise deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted for any of the tax jurisdictions in which the Group operates.

### (iii) Indirect taxes paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of indirect taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### (i) Property, plant and equipment and Capital work in progress:

#### (i) Recognition and measurement:

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any, and to the costs incurred subsequently to add to, or to replace any part of, or service it.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Cost comprises of the purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, if any, and directly attributable cost of bringing the item to its working condition for its intended use and estimated present value of costs of dismantling and removing the item and restoring the

site on which it is located. Borrowing costs relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Cost also includes cost of replacement of part of plant and equipment if the recognition criteria are met. If significant parts of plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment. The Group depreciates them separately based on their specific useful lives.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

Machinery spares which meet the definition of PPE are capitalised and depreciated over the useful life of the principal asset.

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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Cost of assets not ready for intended use, as at the reporting date, are classified as capital work-in progress. Capital work-in progress is stated at cost, net of accumulated impairment loss, if any.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (ii) Depreciation:

- (1) Depreciation on items of property, plant and equipment (except freehold land) is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013, except in respect of the following assets where, useful life of assets has been determined based on technical evaluation done by the management's expert:

(in years)

Asset Class	Useful Life Adopted	Useful Life as per Schedule – II
Plant and Machinery - Other than below	1 - 21	7.5 / 15
Plant and Machinery - SS Vessels / SS Equipment's	7.5 / 15	7.5
Plant and Machinery - Other than SS Components	7.5 / 7.7	7.5
Building and Appliances	1 - 61	5 / 30 / 60
Furniture and Fixtures / Office equipment's	1 - 10	10.0
Vehicles	1 - 8	8.0

\*The above-mentioned useful lives are on a three-shift basis, except for vehicles.

- (2) The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (3) The Group reviews the residual value, useful lives and depreciation method annually and if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### (j) Intangible assets and Intangible assets under development:

#### (i) Recognition and measurement:

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

Internally generated intangible assets arising from development activity are recognised at cost when the project is clearly defined and the costs are separately identified and reliably measured, on demonstration of technical feasibility of the project, the intention and ability of the Group to complete, use or sell it is demonstrated, adequate resources are available to complete the project and only if it is probable that the asset would generate future economic benefits. Such costs are capitalised as 'Technical know-how'. Otherwise, it is recognised as an expense in the Consolidated Statement of Profit and Loss in the period they are incurred. Subsequent to initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognised.

#### (ii) Amortisation:

- (1) The useful lives of intangible assets are assessed as either finite or indefinite.
- (2) Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- (3) Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

### (iii) Research and development costs

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss as and when incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

A summary of the amortisation / depletion policies applied to the Group's other intangible assets to the extent of depreciable amount is as follows:

Asset Class	Years
Registrations	1-12
Computer Software	1-10
Technical Know-How	3-10
Other intangible assets	5

For acquired Technical Know-How in business combination transaction, management has considered 10 years as useful life.

### (i) Capital work in progress ("CWIP"):

- (1) Projects under commissioning and other CWIP items are carried at cost, comprising direct costs, related incidental expenses and eligible borrowing costs, if any.
- (2) Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

### (k) Borrowing costs:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset till the date the asset is ready for intended use. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended period when active development activity on the qualifying asset is suspended. Other borrowing costs are recognised as an expense in the period in which they are incurred. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss for the period for which they are incurred.

### (l) Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

### (i) Right-of-use assets:

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Type of Asset	Useful Life estimated by management (years)
Leasehold Land	1 to 95 years
Building	1 to 15 years
Plant & Machinery (IT Equipment's)	1 to 8 years
Vehicles	2 to 4 years

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (r) Impairment of non-financial assets.

### Sale and leaseback

When the Group (seller-lessee) sells an asset to another entity (buyer-lessor) and leases it back from the buyer-lessor, the Group determines if the transaction qualifies as a sale under Ind AS 115 or whether the transaction is a collateralised borrowing.

A sale and leaseback qualify as a sale if the buyer-lessor obtains control of the underlying asset. The Group measures a right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain / (loss) that the Group recognises is limited to the proportion of the total gain / (loss) that relates to the rights transferred to the buyer-lessor.

Any difference between the sale consideration and the fair value of the asset is either a prepayment of lease payments (if the purchase price is below market terms) or an additional financing (if the purchase price is above market terms), and this is applied if the lease payments are not at market rates.

If the transfer does not qualify as a sale under Ind AS 115, the Group does not derecognise the transferred asset, and it accounts for the cash received as a financial liability.

### (ii) Lease liabilities:

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### (iii) Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value (i.e. ₹500,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Group as a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the Consolidated Statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### (m) Inventories:

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

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(All amounts are in ₹ Lakhs, unless otherwise stated)

- Raw materials, stores and spares and packing material: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.

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

### (n) Impairment of non-financial assets:

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets / forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case,

this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations including impairment on inventories, are recognised in the Consolidated Statement of Profit and Loss.

For the assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed either its recoverable amount, or the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31<sup>st</sup> March and when circumstances indicate that the carrying value may be impaired. If impairment exists, it is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill, if booked, cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31<sup>st</sup> March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### (o) Provisions, contingent liabilities and contingent assets:

#### (i) Provisions:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is

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(All amounts are in ₹ Lakhs, unless otherwise stated)

recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Consolidated Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

### Provision for Onerous Contract

If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

### (ii) Contingent liability Contingent liability is:

- (a) possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- (b) a present obligation that arises from past events but is not recognized because;

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37. The cases which have been determined as remote by the Group have not been disclosed.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

### (iii) Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognize the contingent asset in its Consolidated Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Group recognise such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

### (p) Post-employment and other employee benefits:

#### (i) Short-term employee benefits:

The distinction between short-term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short-term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. A liability is recognised at an undiscounted value for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

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### (ii) Post-employment benefits:

#### (1) Defined contribution plans:

The contributions to provident fund and superannuation schemes are recognised in the Consolidated Statement of Profit and Loss during the period in which the employee renders the related service. The Group has no further obligations under these schemes beyond its periodic contributions.

#### (2) Defined benefit plans:

The Group operates two defined benefit plans for its employees, viz. gratuity, and pension. The present value of the obligation under such defined benefit plans is determined based on an independent actuarial valuation using the Projected Unit Credit Method as at the date of the Balance Sheet. The fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on a net basis.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.
- Re-measurement

The Group presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### (3) Compensated absences:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains / losses are immediately taken to the Consolidated Statement of Profit and Loss and are not deferred. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

#### (q) Share based payments:

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in note 46.

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That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Consolidated Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and / or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and / or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and / or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through Consolidated Statement of Profit and Loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### (r) Financial instruments:

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

#### (i) Financial assets:

##### (1) Initial recognition and measurement:

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at amortised cost, fair value through fair value through other comprehensive income (OCI), and fair value through profit or loss. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in Note 2.3 (f) Revenue from contracts with customers.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (2) Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

#### Financial assets at amortised cost (debt instruments):

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

#### Financial assets at fair value through other comprehensive income (FVTOCI) (debt instruments):

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Consolidated Statement of Profit and Loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

#### Financial assets designated at fair value through other comprehensive income (equity instruments):

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under Ind AS 32 Financial Instruments - Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to Consolidated Statement of Profit and Loss. Dividends are recognised as other income in the Consolidated Statement of Profit and Loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group has not elected to classify irrevocably any of its equity investments under this category.

#### Financial assets at fair value through profit or loss (FVTPL):

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the Consolidated Statement of Profit and Loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Interest earned on instruments

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(All amounts are in ₹ Lakhs, unless otherwise stated)

designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate.

### Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (a) The rights to receive cash flows from the asset have expired, or
- (b) 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 (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

### (3) Impairment of financial assets:

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables, the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At all reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other assets, the Group uses 12 month Expected Credit Loss to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime Expected Credit Loss is used. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### (ii) Financial liabilities and equity instruments:

#### (1) Classification as debt or equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. The Group classifies a financial instrument issued by it as equity instrument only if below conditions are met:

The instrument neither includes contractual obligation to deliver cash or another financial asset to another entity, nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

If the instrument will or may be settled in the Group's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Group to deliver a variable number of its own equity instruments. If the instrument is derivative, then it should be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liability and accounted for using the accounting policy applicable to the Financial Liabilities.

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(All amounts are in ₹ Lakhs, unless otherwise stated)

### (2) Initial recognition and measurement:

All financial liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Consolidated Statement of Profit and Loss as finance cost. The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

### (3) Subsequent measurement:

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### Financial liabilities at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

#### Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. Financial liabilities are carried at amortised cost using the effective interest rate (EIR) method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss. For more information refer Note 32.

### (4) 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

### (5) Reclassification of financial assets:

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### (iii) Offsetting of financial instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### (s) Derivative financial instruments and hedge accounting:

#### Initial recognition and subsequent measurement

The Group uses various derivative financial instruments such as forwards, interest rate swaps and currency swaps to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to the Consolidated Statement of Profit and Loss, when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- (a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- (b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- (c) Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

### Fair value hedge:

The Group designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and exchange rates. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Consolidated Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to the Consolidated Statement of Profit and Loss over the period of maturity.

### Cash flow hedge:

The Group designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Consolidated Statement of Profit and Loss. Refer to Note 50 for more details.

If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold / terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Consolidated Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Consolidated Statement of Profit and Loss.

### (t) Cash and cash equivalents, and Bank balances:

Cash and cash equivalent comprises of cash at banks (which are unrestricted for withdrawal and usage), and cash on hand and short-term deposits with original maturity of three months or less. Bank balances other than

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

cash and cash equivalents as explained above comprises of earmarked balances of unclaimed dividends, funds for open offer made under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and short-term deposits with original maturity of three months or more. These items are subject to an insignificant risk of changes in value. In the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above which are considered as integral part of the Group's cash management.

### (u) Dividends:

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

### (v) Earnings per share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (w) Events after the reporting date:

If the Group receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

### (x) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Group has identified the Managing Director as the chief operating decision maker of the Group.

### (y) Rounding-off of amounts:

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

### (z) Hyperinflation

The financial statements of the Group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period (Refer note 52).

### (aa) Climate-related matters:

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- (i) Useful life of property, plant and equipment: When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- (ii) Impairment of non-financial assets: The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (bb) New and amended standards:

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1<sup>st</sup> April 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### i. IND AS 117 Insurance Contracts

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 - Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 has no significant impact on the Group's financial statements.

#### ii. Amendment to IND AS 116 Leases – Lease liability in a sale and leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendment does not have a material impact on the Group's financial statements.

### Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

### (cc) Significant accounting judgements, estimates and assumptions:

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Financial risk management objectives and policies Note 43.
- Sensitivity analyses disclosures Notes 38, 43(A) and 50.
- Capital management Note 43.

### Use of significant judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements:

#### (i) Determining the lease term of contracts with renewal and termination options – Group as a lessee:

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Refer Note 5 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

### Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (i) Business combinations and intangible assets

Business combinations and intangible assets Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer note 50 & 51.

#### (ii) Estimating the incremental borrowing rate to measure lease liabilities

The Group cannot readily determine the interest rate implicit in the lease; therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset

of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).

#### (iii) Useful life and residual value of property, plant and equipment and intangible assets:

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's property, plant and equipment and intangible assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Consequently, the future depreciation charge could be revised and may have an impact on profit for future years. The policy for the same has been explained in notes 2.3 (h) and 2.3 (i).

#### (iv) Recognition of deferred tax assets

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced. The policy for the same has been explained under Note 2.3 (f).

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

Valuation of recoverable income tax assets especially with respect to deferred tax assets on tax loss carry forwards. The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

### (v) Defined benefit obligation:

The cost of the defined benefit gratuity plan, other defined benefit plan and other post-employment plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, expected returns on plan assets and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for respective countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, discount rate and return on planned assets are based on expected future inflation

rates for respective countries. Further details about defined benefit plans are given in Note 2.3 (o).

### (vi) Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. The policy for the same has been explained under Note 2.3 (m).

### (vii) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Further, the Group also evaluates risk with respect to expected loss on account of loss in time value of money which is calculated using average cost of capital for relevant financial assets.

The Group reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Consolidated Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Consolidated Statement of Profit or Loss. The policy for the same has been explained in Note 2.3 (q) Financial Instruments.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (viii) Provision for inventory obsolescence:

The Group identifies slow and non-moving stock of all inventories on an ongoing basis. These materials are then classified based on their expected quality parameters to determine the possibility of utilisation / liquidation of these materials. Based on this study, a provision for slow and non-moving inventory is created.

### (ix) Share based payment:

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses the Black-Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 51.

### (x) Litigation:

The Group has various ongoing litigations, the outcome of which may have a material effect on the financial position, results of operations or cashflows. The Group's legal team regularly analyses current information about these matters and assesses the requirement for provision for probable losses including estimates of legal expense to resolve such matters. In making the decision regarding the need for loss provision, the management considers the degree of probability of an unfavourable outcome and the ability to make sufficiently reliable estimate of the amount of loss. The filing of a lawsuit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

Considering the facts on hand and the current stage of certain ongoing litigations the Group foresees a remote risk of any material claim arising from claims against the Group. The Management has exercised significant judgement in assessing the impact, if any, on the disclosures in respect of litigations in relation to the Group.

### (xi) Determination of timing of satisfaction of performance obligation:

For revenue recognised at a point in time, the Group has applied judgement in determining the point in time when the control of the goods are transferred based on the criteria mentioned in the standard read along with the contract with customers, applicable laws and considering the industry practices. The goods manufactured by the

Group are on the basis of the open purchase order as on date and the order expected to be received. Further, the goods are dispatched as per the terms mentioned in the purchase order.

For revenue recognised over a period of time, at each reporting date, the Group is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs, estimated earnings, and accrued contract expenses.

### (xii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using different valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements and estimates include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 50 and 51 for further disclosures.

### (xiii) Climate – related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are: - Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

### Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

#### 3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

##### A. Reconciliation of carrying amount

Particulars	Freehold Land	Buildings	Leasehold Improvements	Plant and Machinery	Vehicles	Furniture and Fixtures (refer note 55)	Office Equipments	Total	Capital Work-in-Progress
<b>Gross amount as at 1<sup>st</sup> April, 2023 (refer note I)</b>	<b>929.4</b>	<b>17,170.6</b>	<b>44.0</b>	<b>1,35,991.0</b>	<b>863.2</b>	<b>1,470.8</b>	<b>336.3</b>	<b>1,56,805.3</b>	<b>4,426.8</b>
Additions	37.3	767.7	-	7,231.8	264.3	1,279.4	100.4	9,680.9	5,354.2
Disposals	-	(0.6)	-	(167.5)	(159.5)	(4.6)	(30.5)	(362.7)	-
Transfers to property plant and equipment	-	-	-	-	-	-	-	-	(8,326.7)
Transfers to right of use asset (refer note F)	(127.7)	-	-	-	-	-	-	(127.7)	-
<b>Gross amount as at 31<sup>st</sup> March, 2024</b>	<b>839.0</b>	<b>17,937.7</b>	<b>44.0</b>	<b>1,43,055.3</b>	<b>968.0</b>	<b>2,745.6</b>	<b>406.2</b>	<b>1,65,995.8</b>	<b>1,454.3</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2023 (refer note I)</b>	-	<b>2,175.4</b>	<b>0.9</b>	<b>46,072.3</b>	<b>577.5</b>	<b>575.3</b>	<b>72.4</b>	<b>49,473.8</b>	-
Depreciation for the year	-	497.5	5.6	11,969.2	114.7	204.9	72.2	12,864.1	-
Disposals	-	(0.9)	-	(141.9)	(141.1)	(4.3)	(28.7)	(316.9)	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2024</b>	-	<b>2,672.0</b>	<b>6.5</b>	<b>57,899.6</b>	<b>551.1</b>	<b>775.9</b>	<b>115.9</b>	<b>62,021.0</b>	-
<b>Net amount as at 31<sup>st</sup> March, 2024</b>	<b>839.0</b>	<b>15,265.7</b>	<b>37.5</b>	<b>85,155.7</b>	<b>416.9</b>	<b>1,969.7</b>	<b>290.3</b>	<b>1,03,974.8</b>	<b>1,454.3</b>
<b>Gross amount as at 1<sup>st</sup> April, 2024 (refer note I)</b>	<b>839.0</b>	<b>17,937.7</b>	<b>44.0</b>	<b>1,43,055.3</b>	<b>968.0</b>	<b>2,745.6</b>	<b>406.2</b>	<b>1,65,995.8</b>	<b>1,454.3</b>
Additions	-	664.5	85.4	6,862.0	335.6	65.0	76.0	8,088.5	9,640.2
Additions on account of business combination (refer note G)	16,164.6	47,891.5	-	53,575.4	1,511.6	2,802.6	1,935.9	1,23,881.6	9,381.5
Disposals	-	(1.2)	-	(312.3)	(232.3)	(36.0)	(2.0)	(583.8)	-
Exchange differences	(325.6)	(181.8)	-	(1,029.3)	(1.5)	(60.2)	(26.8)	(1,625.2)	(53.3)
Transfer to property, plant and equipment	-	-	-	-	-	-	-	-	(6,404.1)
<b>Gross amount as at 31<sup>st</sup> March, 2025</b>	<b>16,678.0</b>	<b>66,310.7</b>	<b>129.4</b>	<b>2,02,151.1</b>	<b>2,581.4</b>	<b>5,517.0</b>	<b>2,389.3</b>	<b>2,95,756.9</b>	<b>14,018.6</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2024 (refer note I)</b>	-	<b>2,672.0</b>	<b>6.5</b>	<b>57,899.6</b>	<b>551.1</b>	<b>775.9</b>	<b>115.9</b>	<b>62,021.0</b>	-
Depreciation for the year	-	1,235.6	115.1	12,849.5	137.9	360.0	131.4	14,829.5	-
Disposals	-	-	-	(276.8)	(202.9)	(36.0)	(1.5)	(517.2)	-
Exchange differences	-	(189.5)	-	(919.3)	(5.2)	(55.6)	(26.2)	(1,195.8)	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2025</b>	-	<b>3,718.1</b>	<b>121.6</b>	<b>69,553.0</b>	<b>480.9</b>	<b>1,044.3</b>	<b>219.6</b>	<b>75,137.5</b>	-
<b>Net amount as at 31<sup>st</sup> March, 2025</b>	<b>16,678.0</b>	<b>62,592.6</b>	<b>7.8</b>	<b>1,32,598.1</b>	<b>2,100.5</b>	<b>4,472.7</b>	<b>2,169.7</b>	<b>2,20,619.4</b>	<b>14,018.6</b>

B. The Group has pledged certain property, plant and equipment against borrowings, the details of which have been given in note 19(d).

C. The above disclosure includes property, plant and equipment used for Research and Development.

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- D.** The Group has not revalued its property, plant and equipment during financial years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024. Also refer note 44 for fair valuation of assets acquired on account of business combination.
- E.** Assets include assets lying with third parties amounting to ₹ 94.2 lakhs (31<sup>st</sup> March 2024: ₹ 15.3 lakhs)
- F.** During the previous year, the Holding Company has reclassified freehold land amounting to ₹ 127.7 lakhs to right-of-use assets (leasehold land) pursuant to a sale and lease back agreement with Maharashtra Industrial Development Corporation.
- G.** Refer Note 44 for additions on account of business combination.
- H.** Refer Note 39 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
- I.** On transition to Ind As (i.e. 1<sup>st</sup> April, 2016), the Holding Company has elected to continue with the carrying value of all property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.
- J. Following is the ageing schedule for Capital-work-in progress ("CWIP").**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9,665.0	939.6	1,849.0	1,350.7	13,804.3
Projects temporarily suspended	-	-	-	214.3	214.3
	<b>9,665.0</b>	<b>939.6</b>	<b>1,849.0</b>	<b>1,565.0</b>	<b>14,018.6</b>

There are no projects whose completion is overdue or have exceeded their cost compared to original plan, except for projects mentioned below:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1 (completion overdue) (additions on account of business combination (refer note 44))	335.7	2.5	-	-	338.2
	<b>335.7</b>	<b>2.5</b>	<b>-</b>	<b>-</b>	<b>338.2</b>

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,452.8	1.5	-	-	1,454.3
Projects temporarily suspended	-	-	-	-	-
	<b>1,452.8</b>	<b>1.5</b>	<b>-</b>	<b>-</b>	<b>1,454.3</b>

There are no projects whose completion is overdue or have exceeded their cost compared to original plan.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

#### A. Reconciliation of carrying amount

Particulars	Computer Software	Technical Knowhow (Acquired)	Technical Knowhow (Internally Generated)	Registrations (Acquired)	Other Intangible Assets	Total	Goodwill on acquisition of Business (refer note (D))	Intangible Assets under development "IAUD"
<b>Gross amount as at 1<sup>st</sup> April, 2023 (refer Note G)</b>	<b>2,135.5</b>	<b>275.2</b>	<b>2,195.2</b>	<b>1,005.3</b>	<b>467.3</b>	<b>6,078.5</b>	<b>684.4</b>	<b>22.0</b>
Additions	44.9	-	18.4	247.6	-	310.9	-	-
Disposals / Transfer	(23.3)	-	-	-	-	(23.3)	-	(18.3)
<b>Gross amount as at 31<sup>st</sup> March, 2024</b>	<b>2,157.1</b>	<b>275.2</b>	<b>2,213.6</b>	<b>1,252.9</b>	<b>467.3</b>	<b>6,366.1</b>	<b>684.4</b>	<b>3.7</b>
<b>Accumulated amortisation as at 1<sup>st</sup> April, 2023 (refer Note G)</b>	<b>1,108.1</b>	<b>205.7</b>	<b>645.0</b>	<b>522.4</b>	<b>192.3</b>	<b>2,673.5</b>	-	-
Amortisation for the year	295.1	-	394.2	92.1	63.3	844.7	-	-
Disposals	(18.6)	-	-	-	-	(18.6)	-	-
<b>Accumulated amortisation as at 31<sup>st</sup> March, 2024</b>	<b>1,384.6</b>	<b>205.7</b>	<b>1,039.2</b>	<b>614.5</b>	<b>255.6</b>	<b>3,499.6</b>	-	-
<b>Net amount as at 31<sup>st</sup> March, 2024</b>	<b>772.5</b>	<b>69.5</b>	<b>1,174.4</b>	<b>638.4</b>	<b>211.7</b>	<b>2,866.5</b>	<b>684.4</b>	<b>3.7</b>
<b>Gross amount as at 1<sup>st</sup> April, 2024 (refer Note G)</b>	<b>2,157.1</b>	<b>275.2</b>	<b>2,213.6</b>	<b>1,252.9</b>	<b>467.3</b>	<b>6,366.1</b>	<b>684.4</b>	<b>3.7</b>
Additions	23.8	-	-	56.3	-	80.1	-	-
Additions on account of business combination (refer note F)	-	8,718.4	-	2,326.8	8.5	11,053.7	-	22.2
Disposals / Transfer	-	-	-	-	-	-	-	(3.6)
Exchange differences	10.2	-	-	69.3	220.5	300.0	-	0.3
<b>Gross amount as at 31<sup>st</sup> March, 2025</b>	<b>2,191.1</b>	<b>8,993.6</b>	<b>2,213.6</b>	<b>3,705.3</b>	<b>696.3</b>	<b>17,799.9</b>	<b>684.4</b>	<b>22.6</b>
<b>Accumulated amortisation as at 1<sup>st</sup> April, 2024 (refer Note G)</b>	<b>1,384.6</b>	<b>205.7</b>	<b>1,039.2</b>	<b>614.5</b>	<b>255.6</b>	<b>3,499.6</b>	-	-
Amortisation for the year	274.0	73.8	380.6	171.0	63.5	962.9	-	-
Disposals / Transfer	-	-	-	-	-	-	-	-
Exchange differences	8.6	-	-	17.3	220.7	246.6	-	-
<b>Accumulated amortisation as at 31<sup>st</sup> March, 2025</b>	<b>1,667.2</b>	<b>279.5</b>	<b>1,419.8</b>	<b>802.8</b>	<b>539.8</b>	<b>4,709.1</b>	-	-
<b>Net amount as at 31<sup>st</sup> March, 2025</b>	<b>523.9</b>	<b>8,714.1</b>	<b>793.8</b>	<b>2,902.5</b>	<b>156.5</b>	<b>13,090.8</b>	<b>684.4</b>	<b>22.6</b>

B. The Group has not revalued its intangible assets during financial years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024. Also refer note 44 for fair valuation of asset acquired on account of business combination

C. Following is the ageing schedule for the Intangible Assets under Development ("IAUD") as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

**As at 31<sup>st</sup> March, 2025**

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22.6	-	-	-	22.6
Projects temporarily suspended	-	-	-	-	-
	<b>22.6</b>	-	-	-	<b>22.6</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

As at 31<sup>st</sup> March, 2024

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	3.7	-	-	3.7
Projects temporarily suspended	-	-	-	-	-
	-	3.7	-	-	3.7

### D. Goodwill on acquisition of business of Rieco Industries Limited -

Goodwill of ₹ 684.4 lakhs (Previous year: ₹ 684.4 lakhs) relates to the CGU - Engineering Equipments Business (refer note 47). The estimated value in use of the CGU is based on future cash flows assuming an annual terminal growth rate of 5% for the period subsequent to the forecast period of 5 years and a discount rate of 25% which considers the operating and macroeconomic environment in which the entity operates. An analysis of the sensitivity of the change in key parameters (operating margin, discount rates and long term average growth rate) based on reasonably probable assumptions, did not result in any probable scenario in which the recoverable amount of the CGU would decrease below the carrying amount. The discount rate was estimated based on past experience and Holding Company's weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

E. There are no projects whose completion is overdue or have exceeded their cost compared to original plan.

F. Refer Note 44 for additions on account of business combination.

G. On transition to Ind AS (i.e. 1<sup>st</sup> April, 2016), the Holding Company has elected to continue with the carrying value of all intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

## 5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### Group as a lessee

The Group has lease contracts for various items of building, land, plant & machinery (IT equipment) and vehicles used in its operations. Leases of building generally have lease terms between 1 and 15 years, certain plant & machinery (IT equipment) have lease term of 1 to 8 years and vehicle have lease term of 2 to 4 years. Leasehold land pertains to upfront payments and hence have longer lease terms upto 99 years with no corresponding leasehold liabilities. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments. The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for such leases.

### A. Reconciliation of carrying amount

Right-of-use assets	Leasehold Land	Plant & Machinery (IT Equipment)	Buildings	Vehicles	Total
<b>Gross amount as at 1<sup>st</sup> April, 2023</b>	<b>136.3</b>	<b>187.0</b>	<b>1,101.2</b>	-	<b>1,424.5</b>
Additions *	127.7	-	2,358.5	-	2,486.2
Disposals	-	-	643.1	-	643.1
<b>Gross amount as at 31<sup>st</sup> March, 2024</b>	<b>264.0</b>	<b>187.0</b>	<b>2,816.6</b>	-	<b>3,267.6</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2023</b>	<b>12.8</b>	<b>6.1</b>	<b>211.5</b>	-	<b>230.4</b>
Depreciation for the year	2.8	37.5	367.6	-	407.9
Disposals	-	-	-	-	-
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2024</b>	<b>15.6</b>	<b>43.6</b>	<b>579.1</b>	-	<b>638.3</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2024</b>	<b>248.4</b>	<b>143.4</b>	<b>2,237.5</b>	-	<b>2,629.3</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Right-of-use assets	Leasehold Land	Plant & Machinery (IT Equipment)	Buildings	Vehicles	Total
<b>Gross amount as at 1<sup>st</sup> April, 2024</b>	<b>264.0</b>	<b>187.0</b>	<b>2,816.6</b>	<b>-</b>	<b>3,267.6</b>
Additions	-	-	2,079.8	20.8	2,100.6
Additions on account of business combination **	29,572.3	174.0	28,200.1	112.2	58,058.6
Disposals	-	-	(728.8)	-	(728.8)
Exchange differences	(9.8)	(1.3)	(308.4)	(19.3)	(338.8)
<b>Gross amount as at 31<sup>st</sup> March, 2025</b>	<b>29,826.5</b>	<b>359.7</b>	<b>32,059.3</b>	<b>113.7</b>	<b>62,359.2</b>
<b>Accumulated depreciation as at 1<sup>st</sup> April, 2024</b>	<b>15.6</b>	<b>43.6</b>	<b>579.1</b>	<b>-</b>	<b>638.3</b>
Depreciation for the year	39.0	20.4	751.6	18.5	829.5
Disposals	-	-	(361.2)	-	(361.2)
Exchange differences	(1.8)	(3.3)	(93.1)	(17.8)	(116.0)
<b>Accumulated depreciation as at 31<sup>st</sup> March, 2025</b>	<b>52.8</b>	<b>60.7</b>	<b>876.4</b>	<b>0.7</b>	<b>990.6</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2025</b>	<b>29,773.7</b>	<b>299.0</b>	<b>31,182.9</b>	<b>113.0</b>	<b>61,368.6</b>

### B. Lease Liabilities

Particulars	
<b>As at 1<sup>st</sup> April 2023</b>	<b>1,155.7</b>
Add: Addition during the year *	2,358.5
Add: Interest accrued on lease liability	189.5
Less: Disposal / termination	(637.8)
Less: Cash outflows for leases	(452.4)
<b>As at 31<sup>st</sup> March 2024</b>	<b>2,613.5</b>
<b>As at 1<sup>st</sup> April 2024</b>	<b>2,613.5</b>
Add: Addition during the year	2,100.6
Add: Interest accrued on lease liability	360.8
Add: Additions on account of business combination **	25,576.7
Less: Exchange differences	(44.7)
Less: Disposal / termination	(477.7)
Less: Cash outflows for leases	(843.5)
<b>As at 31<sup>st</sup> March 2025</b>	<b>29,285.7</b>

### Bifurcation of liabilities

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Current	4,506.1	345.6
Non-current	24,779.6	2,267.9
	<b>29,285.7</b>	<b>2,613.5</b>

### C. Amount recognised in the Statement of Profit and Loss

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Interest expenses on lease liabilities	360.8	189.5
Expenses relating to short term lease (included in other expenses)	1,402.9	3,171.9
Depreciation on ROU assets	829.5	407.9
	<b>2,593.2</b>	<b>3,769.3</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### D. Amounts recognised in the Statement of Cash Flows

Particulars	Year Ended 31 <sup>st</sup> March, 2025	Year Ended 31 <sup>st</sup> March, 2024
Total cash outflow for leases	843.5	452.4
	<b>843.5</b>	<b>452.4</b>

### E. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Less than 1 year	4,706.5	551.5
1 to 5 years	14,962.2	2,305.3
More than 5 years	23,713.0	615.5

\* Additions in buildings include additions on account of reassessment of lease term performed by management basis significant leasehold improvements capitalised during the year with useful life estimated by management to be aligned with original lease terms i.e. 9 years.

\*\* Refer Note 44 for additions on account of business combination.

## 6 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Unquoted equity instruments</b>		
Hangzhou Baihe Heubach Pigments Co. Ltd	17,409.6	-
Heubach Toyo Colour Private Limited	3,611.9	-
	<b>21,021.5</b>	<b>-</b>

Refer note 53 for further details.

## 7 INVESTMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Non-current</b>		
<b>Unquoted, fully paid equity instruments</b>		
<b>I. Investment designated at cost</b>		
<b>Sudarshan CSR Foundation (Section 8 Company)</b>		
10,000 (Previous Year : 10,000) equity shares of ₹ 10 each	-	1.0
<b>Pigment Manufacturers Association of India</b>		
1,000 (Previous Year : 1,000) equity shares of ₹ 10 each	0.1	0.1
<b>II. Investment designated as fair value through profit and loss account (FVTPL)*</b>		
<b>AVADA Satara MH Private Limited</b>		
66,92,000 (Previous Year : 66,92,000) equity shares of ₹ 10 each	281.8	243.0
<b>First Energy 2 Private Limited **</b>		
(30,00,000 Equity Shares of ₹ 10 each, fully paid up)	300.0	-
<b>Dalavaipuram Renewables Private Limited **</b>		
(3,07,896 equity shares of ₹10 each, fully paid up and 9,23,662 Non-interest bearing optionally convertible debenture of ₹ 10 each)	123.1	-
<b>Bharuch Enviro Infrastructure Limited **</b>		
(89,426 Equity Shares of ₹ 10 each, fully paid up)	8.9	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Narmada Cleantech Limited **</b>		
(1,988,681 Equity Shares of ₹ 10 each, fully paid up)	198.9	-
<b>Enviro Technology Limited **</b>		
(2,400 Equity Shares of ₹ 10 each, fully paid up)	0.2	-
<b>Ankleshwar Research and Analytical Infrastructure Limited **</b>		
(2,500 Equity Shares of ₹ 10 each, fully paid up)	0.3	-
	<b>913.3</b>	<b>244.1</b>
<b>Current</b>		
<b>Investment designated as fair value through profit and loss account (FVTPL)*</b>		
Investments in mutual funds (quoted funds)	25,729.0	-
Investments in mutual funds (unquoted funds)	7,089.1	-
	<b>32,818.1</b>	-
Aggregate amount of quoted investments and market value thereof	25,729.0	-
Aggregate amount of unquoted investments	8,002.4	244.1
Aggregate amount of impairment in the value of investments	-	-

\* These investments are for operational purpose and are obligatory in nature. On disposal, these will fetch only the principal amount invested and hence the Holding Company considers their cost and fair value to be the same.

\*\* Investments acquired as a part of asset acquired in business combination (refer note 44).

### 8 OTHER FINANCIAL ASSETS (AT AMORTIZED COST)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current (unsecured, considered good):</b>		
Security deposit *	2,764.0	824.7
Less: Credit impaired	(45.4)	-
	<b>2,718.6</b>	<b>824.7</b>
Tender deposit	419.6	8.5
Fixed deposit with bank (original and remaining maturity more than 12 months)	355.4	-
Amount paid towards share application	176.8	-
	<b>3,670.4</b>	<b>833.2</b>
<b>(b) Current (unsecured, considered good):</b>		
Security deposit	277.4	-
Tender deposit	4.3	-
Government grant receivable	796.0	221.6
Fixed deposit with bank (original maturity more than 12 months, but remaining maturity less than 3 months)	3,506.5	-
Other receivables **	3,048.1	531.5
	<b>7,632.3</b>	<b>753.1</b>

\* includes deposits with Maharashtra State Electricity Distribution Company Limited and Maharashtra Industrial Development Corporation.

\*\* includes interest accrued on deposits and amount receivable from administrator. (refer note 44 (h)).

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 9 OTHER ASSETS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
Capital advances (unsecured)		
Considered good	356.1	171.9
Considered doubtful	90.0	90.0
Less : Provision for doubtful advances	(90.0)	(90.0)
	<b>356.1</b>	<b>171.9</b>
Balances with government authorities	3,220.0	125.2
Prepaid expenses	545.9	481.3
Payment under protest (refer note 23)	6,853.1	-
	<b>10,619.0</b>	<b>606.5</b>
	<b>10,975.1</b>	<b>778.4</b>
<b>(b) Current:</b>		
Prepaid expenses	2,490.9	1,004.8
Balances with government authorities	27,646.4	2,645.4
Advances to suppliers	21,396.2	1,123.8
Contract assets (refer note 26)	2,732.2	5,191.4
Others *	743.2	23.6
	<b>55,008.9</b>	<b>9,989.0</b>

No advances are due from directors or other officers of the Group, firms in which a director is a partner or private companies in which a director is a director or a member either severally or jointly with any other person except as disclosed in note 42.

\* Includes sundry debit balances, etc.

### 10 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Raw materials (includes items with third parties and items lying in transit)	52,904.7	10,684.1
Work-in-progress	39,411.7	7,933.9
Finished goods (includes items with third parties and items lying in transit)	1,46,308.8	21,592.1
Stores and spares (includes items with third parties)	5,410.8	3,449.8
Packing materials	2,482.1	100.1
	<b>2,46,518.1</b>	<b>43,760.0</b>

During the year, an amount of ₹ 2,261.4 lakhs (31<sup>st</sup> March, 2024 : ₹ 266.1 lakhs) was (reversed) / charged off to the Statement of Profit and Loss on account of provision for difference in stock values and net realisable values of inventories.

Value of raw material in transit is ₹ 5,404.7 lakhs as at 31<sup>st</sup> March, 2025 (₹ 2,501.7 lakhs as at 31<sup>st</sup> March, 2024)

Value of finished goods in transit is ₹ 10,482.5 lakhs as at 31<sup>st</sup> March, 2025 (₹ 1,718.7 lakhs as at 31<sup>st</sup> March, 2024)

For details of inventory pledged as security refer note 19 (d).

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 11 LOANS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Non-Current</b>		
<b>Unsecured, considered good</b>		
Loans to employees	173.1	-
	<b>173.1</b>	-
<b>Current</b>		
<b>Unsecured, considered good</b>		
Loans to employees	38.6	-
	<b>38.6</b>	-

There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under The Companies Act, 2013), either severally or jointly with any other person except as disclosed in note 42.

### 12 TRADE RECEIVABLES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current:</b>		
Trade receivable from:		
(i) Related parties (refer Note 42)	945.7	-
(ii) Others	1,25,341.3	59,898.3
<b>Total</b>	<b>1,26,287.0</b>	<b>59,898.3</b>
<b>Security details</b>		
Unsecured, considered good	1,22,495.2	58,592.7
Trade receivables which have significant increase in credit risk	1,189.0	365.0
Trade receivables - credit impaired	2,602.8	940.6
<b>Total</b>	<b>1,26,287.0</b>	<b>59,898.3</b>
<b>Less:</b>		
Impairment allowance (allowance for bad and doubtful debts including expected credit loss)		
Credit impaired	2,602.8	940.6
Unsecured (Considered good)	1,189.0	425.8
	<b>3,791.8</b>	<b>1,366.4</b>
<b>Total trade receivables</b>	<b>1,22,495.2</b>	<b>58,531.9</b>

Refer note 19 (d) for details of pledges and securities and refer note 43A(b) for details of credit risk related to trade receivables.

No trade receivable are due from directors or other officers of the Group either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days. For terms and conditions relating to related party receivables, refer note 42.

For details of debts due from firms or private companies in which any director is a partner, a director or a member, refer note 42.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Following is the ageing schedule for trade receivables

As at 31<sup>st</sup> March, 2025

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - Considered good	92,409.5	29,363.8	570.5	151.4	-	-	1,22,495.2
Undisputed - which have significant increase in credit risk	164.7	33.1	580.7	333.5	13.2	63.8	1,189.0
Undisputed - Credit impaired	68.6	124.1	823.4	487.2	59.1	170.6	1,733.0
Disputed - Considered good	-	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - Credit impaired	-	-	-	35.8	54.4	779.6	869.8
	<b>92,642.8</b>	<b>29,521.0</b>	<b>1,974.6</b>	<b>1,007.9</b>	<b>126.7</b>	<b>1,014.0</b>	<b>1,26,287.0</b>

Note :- Above figures do not include provision for expected credit loss amounting to ₹ 3,791.8 lakhs.

There are no unbilled receivables, hence the same has not been disclosed in the ageing schedule.

As at 31<sup>st</sup> March, 2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - Considered good	45,968.2	10,439.0	815.9	1,090.3	154.4	124.9	58,592.7
Undisputed - which have significant increase in credit risk	10.5	10.7	2.4	154.6	88.7	98.1	365.0
Undisputed - Credit impaired	-	-	-	-	-	100.4	100.4
Disputed - Considered good	-	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - Credit impaired	-	-	5.7	68.9	49.7	715.9	840.2
	<b>45,978.7</b>	<b>10,449.7</b>	<b>824.0</b>	<b>1,313.8</b>	<b>292.8</b>	<b>1,039.3</b>	<b>59,898.3</b>

Note :- Above figures do not include provision for expected credit loss amounting to ₹ 1,366.4 lakhs.

There are no unbilled receivables, hence the same has not been disclosed in the ageing schedule.

### 13 CASH AND CASH EQUIVALENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Balance with banks		
In current accounts	94,261.8	4,714.0
Deposits with original maturity of less than three months	16,157.7	-
Cash on hand	13.0	9.7
	<b>1,10,432.5</b>	<b>4,723.7</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Changes in liabilities arising from financing activities

Particulars	As at 1 <sup>st</sup> April, 2024	Cash flow (net)	On account of business combination	Other Non-cash changes*	As at 31 <sup>st</sup> March, 2025
Non-current borrowings (including current maturities of non-current borrowings)	35,472.0	1,44,582.0	2,628.9	(1,591.6)	1,81,091.3
Current borrowings (excluding current maturities of non-current borrowings)	8,621.0	20,516.0	-	(1,761.9)	27,375.1
Lease liabilities	2,613.5	(843.5)	25,576.7	1,939.0	29,285.7
<b>Total</b>	<b>46,706.5</b>	<b>1,64,254.5</b>	<b>28,205.6</b>	<b>(1,414.5)</b>	<b>2,37,752.1</b>

### Changes in liabilities arising from financing activities

Particulars	As at 1 <sup>st</sup> April, 2023	Cash flow (net)	On account of business combination	Other Non-cash changes*	As at 31 <sup>st</sup> March, 2024
Non-current borrowings (including current maturities of non-current borrowings)	62,500.6	(26,682.9)	-	(345.7)	35,472.0
Current borrowings (excluding current maturities of non-current borrowings)	19,248.9	(10,627.9)	-	-	8,621.0
Lease liabilities	1,155.7	(452.4)	-	1,910.2	2,613.5
<b>Total</b>	<b>82,905.2</b>	<b>(37,763.2)</b>	<b>-</b>	<b>1,564.5</b>	<b>46,706.5</b>

\*other non cash items includes new leases taken or termination of lease contracts in case of lease liabilities and exchange differences in case of borrowings.

## 14 BANK BALANCES OTHER THAN ABOVE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Earmarked balances with bank*	38,264.2	-
Earmarked balances on unclaimed dividends**	716.3	595.8
Margin money deposits***	842.8	271.0
Bank deposits with original maturity more than three months and remaining maturity less than twelve months	869.6	-
	<b>40,692.9</b>	<b>866.8</b>

\* Lodged against funds received from Qualified Institutional Placement, earmarked for specified purposes (refer Note 39(a)(III)).

\*\* Unclaimed dividend accounts are restricted in use as it relates to unclaimed dividends.

\*\*\* Lodged against bank guarantee, letter of credits, other credit facility and funds received from Qualified Institutional Placement, earmarked for specified purposes.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 15 DERIVATIVE INSTRUMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
<b>Cash flow hedges (FVTOCI)</b>		
Interest rate / currency swap contracts	10.8	127.6
	<b>10.8</b>	<b>127.6</b>
<b>(b) Current:</b>		
<b>Derivatives not designated as hedges (FVTPL)</b>		
Foreign currency forward contracts	947.8	34.0
<b>Cash flow hedges (FVTOCI)</b>		
Interest rate / currency swap contracts	126.3	669.5
	<b>1,074.1</b>	<b>703.5</b>

Note: Refer note 48 for hedging activities and note 43 for foreign currency risk management.

### 16 EQUITY SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>AUTHORISED :</b>		
10,00,00,000 (Previous Year : 7,50,00,000) equity shares of ₹ 2 each. (Refer Note (g))	2,000.0	1,500.0
<b>ISSUED :</b>		
7,85,73,385 (Previous Year : 6,92,27,750) equity shares of ₹ 2 each. *	1,571.5	1,384.5
<b>SUBSCRIBED AND FULLY PAID-UP :</b>		
7,85,72,885 (Previous Year : 6,92,27,250) equity shares of ₹ 2 each fully paid up. *	1,571.5	1,384.5

\* Allotment of 500 Rights Equity Shares of ₹ 2 each is kept in abeyance, matter being sub-judice.

#### (a) Reconciliation of authorised equity share capital

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Quantity in nos.	Value ₹ Lakhs	Quantity in nos.	Value ₹ Lakhs
At the beginning of the year	7,50,00,000	1,500.0	7,50,00,000	1,500.0
Add : Increase during the year (Refer note (g))	2,50,00,000	500.0	-	-
Outstanding at the end of the year	10,00,00,000	2,000.0	7,50,00,000	1,500.0

#### (b) Reconciliation of issued, subscribed and fully paid-up equity share capital

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Quantity in nos.	Value ₹ Lakhs	Quantity in nos.	Value ₹ Lakhs
At the beginning of the year	6,92,27,250	1,384.5	6,92,27,250	1,384.5
Add : Shares issued through qualified institutional placement (refer note (h))	74,76,635	149.5	-	-
Add : Shares issued through preferential issue (refer note (i))	18,69,000	37.5	-	-
Outstanding at the end of the year	7,85,72,885	1,571.5	6,92,27,250	1,384.5

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (c) Terms / Rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 2.0 per share (Previous Year : ₹ 2.0 per share). Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend, which is ratified subsequently.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors at its meeting held on 25<sup>th</sup> July, 2025, recommended Final Dividend of ₹ 4.50/- (Rupee Four and Fifty Paise only) (i.e. 225%) per Equity Share of face value of ₹ 2.00/- each fully paid up, for the Financial Year ended 31<sup>st</sup> March, 2025, subject to approval of the members at 74<sup>th</sup> Annual General Meeting of the Holding Company.

In the previous year, the Board of Directors had recommended a final dividend of ₹ 1.0/- per share on face value of ₹ 2.0/- per share (i.e. 50%) for the FY 2023-24, which was approved by the shareholders at the 73<sup>rd</sup> Annual General Meeting of the Holding Company. This is in addition to the Interim Dividend of ₹ 3.60/- (Rupees Three and Sixty Paise only) (i.e. 180%) per Equity Share of face value of ₹ 2.00/- each fully paid up, paid during the Financial Year 2023-24, taking total Dividend for the Financial Year 2023-24 at ₹ 4.60/- (Rupees Four and Sixty Paise only).

### (d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No.	% of total shares in class	No.	% of total shares in class
HDFC Small Cap Fund	57,34,275	7.30	24,28,126	3.51
Mr. Akash Bhanshali	56,05,577	7.13	56,05,577	8.10
Mr. A. N. Rathi	54,47,620	6.93	54,47,620	7.87
Tata Small Cap Fund	47,82,355	6.09	-	-
Mr. R. B. Rathi	40,50,359	5.15	40,50,359	5.85
Mr. P. R. Rathi	34,24,740	4.36	41,86,240	6.05

As per records of the Holding Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Consequent to issue of Equity Shares by way of Qualified Institutions Placement and Preferential Issue during the year, percentage of total shares held by the above shareholders has diluted since the total number of issued Equity Shares has increased from 6,92,27,250 to 7,85,72,885.

During the year, the Holding Company has issued 9,80,000 Warrants convertible into 9,80,000 Equity Shares of ₹2 each to Mr. R. B. Rathi. The said Warrants are eligible for conversion into Equity Shares within a period of eighteen months from the date of issue i.e. 13<sup>th</sup> December, 2024. As on 31<sup>st</sup> March, 2025, the said Warrants have not been converted into Equity Shares and hence are not reflected in the total number of shares held by Mr. R. B. Rathi in the table above.

### (e) For a period of five years immediately preceding 31<sup>st</sup> March, 2025

- aggregate number of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
- aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
- aggregate number of shares bought back - Nil

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (f) Shareholding of Promoters as at 31<sup>st</sup> March, 2025

Promoter / Promoter Group	No of shares as at 31 <sup>st</sup> March, 2025	% of total shares	No of shares as at 31 <sup>st</sup> March, 2024	% of total shares	% change during the year
Mr. A. N. Rathi	54,47,620	6.93	54,47,620	7.87	(0.94)
Mr. R. B. Rathi	40,50,359	5.15	40,50,359	5.85	(0.70)
Mr. P. R. Rathi	34,24,740	4.36	41,86,240	6.05	(1.69)
Mr. R. P. Rathi	30,23,859	3.85	30,23,859	4.37	(0.52)
Mr. R. B. Rathi and Mr. A. B. Rathi (As Trustees - SOW Rachna Rathi Family Trust)	12,08,250	1.54	12,08,250	1.75	(0.21)
Mr. M. A. Rathi	5,27,900	0.67	8,27,900	1.20	(0.53)
Balkrishna Rathi Finance Private Limited	4,62,550	0.59	4,62,550	0.67	(0.08)
Mr. N. J. Rathi	4,37,650	0.56	4,37,650	0.63	(0.07)
Rajesh Balkrishna Rathi (HUF)	1,77,425	0.22	1,77,425	0.26	(0.04)
Mrs. R. R. Rathi	14,120	0.02	14,120	0.02	-
Mr. A. B. Rathi	-	-	6,73,660	0.97	(0.97)
Mrs. S. P. Rathi	-	-	13,13,680	1.90	(1.90)
Ajay Balkrishna Rathi (HUF)	-	-	11,75,325	1.70	(1.70)
	<b>1,87,74,473</b>	<b>23.89</b>	<b>2,29,98,638</b>	<b>33.24</b>	

### Shareholding of Promoters as at 31<sup>st</sup> March, 2024

Promoter / Promoter Group	No of shares as at 31 <sup>st</sup> March, 2024	% of total shares	No of shares as at 31 <sup>st</sup> March, 2023	% of total shares	% change during the year
Mr. A. N. Rathi	54,47,620	7.87	54,47,620	7.87	-
Mr. R. P. Rathi	30,23,859	4.37	30,23,859	4.37	-
Mr. P. R. Rathi	41,86,240	6.05	41,86,240	6.05	-
Mr. R. B. Rathi	40,50,359	5.85	40,50,359	5.85	-
Mr. A. B. Rathi	6,73,660	0.97	20,73,660	3.00	(2.03)
Mrs. S. P. Rathi	13,13,680	1.90	13,13,680	1.90	-
Mr. R. B. Rathi and Mr. A. B. Rathi (As Trustees - SOW Rachna Rathi Family Trust)	12,08,250	1.75	12,08,250	1.75	-
Ajay Balkrishna Rathi (HUF)	11,75,325	1.70	11,75,325	1.70	-
Mr. M. A. Rathi	8,27,900	1.20	8,27,900	1.20	-
Mr. N. J. Rathi	4,37,650	0.63	4,37,650	0.63	-
Mrs. N. A. Rathi	-	-	4,00,404	0.58	(0.58)
Balkrishna Rathi Finance Private Limited	4,62,550	0.67	4,62,550	0.67	-
Rajesh Balkrishna Rathi (HUF)	1,77,425	0.26	1,77,425	0.26	-
Mrs. R. R. Rathi	14,120	0.02	14,120	0.02	-
	<b>2,29,98,638</b>	<b>33.24</b>	<b>2,47,99,042</b>	<b>35.85</b>	

For changes in shareholding of promoters subsequent to 31<sup>st</sup> March, 2025 refer note 58.

- (g) The Board of Directors of the Holding Company at its meeting held on 16<sup>th</sup> October, 2024, considered and approved the proposal for increase in the Authorised Share Capital from ₹ 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 7,50,00,000 (Seven Crore Fifty Lakh only) equity shares of ₹ 2/- (Rupee Two only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 10,00,00,000 (Ten Crore Only) equity shares of ₹ 2/- (Rupee Two only) each ranking pari-passu with the existing equity shares of the Holding Company with a consequent amendment to the Memorandum of Association. The same was approved by the Shareholders of the Holding Company by way of resolution passed by Postal Ballot on 30<sup>th</sup> November, 2024.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- (h) On 29<sup>th</sup> January, 2025, the Holding Company has issued and allotted 74,76,635 fully paid-up equity shares of face value of ₹2/-each at a price of ₹1,070 per Equity Share, including a premium of ₹1,068 per Equity Share, aggregating up to ₹79,999.9 lakhs ("Issue") to qualified institutional investors in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"). The Holding Company had incurred expenses amounting to ₹ 1,213.7 lakhs towards issuance of equity shares which have been debited to securities premium account. Consequently, the share capital and share premium of the Holding Company has been increased by ₹ 149.5 lakhs and ₹ 79,850.5 lakhs respectively.
- (i) On 13<sup>th</sup> January, 2025, the Holding Company has issued and allotted 18,69,000 fully paid-up equity shares of face value of ₹2/-each at a price of ₹1,043.33 per Equity Share, including a premium of ₹ 1,041.33 per Equity Share, aggregating up to ₹19,499.8 lakhs ("Issue") to the identified allottees / investors, not belonging to "Promoter and Promoter Group" by way of a preferential issue on private placement basis, for cash consideration in accordance with provisions of the Chapter V of the SEBI ICDR Regulations, and as per applicable provisions of the Companies Act, 2013 and rules made thereunder. Consequently, the share capital and share premium of the Holding Company has been increased by ₹ 37.5 lakhs and ₹ 19,462.5 lakhs respectively. The Holding Company had incurred expenses amounting to ₹ 79.0 lakhs towards issuance of equity shares which have been debited to securities premium account.
- (j) **Other disclosures**

The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries.

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts; except as disclosed in note 46.

### 17 OTHER EQUITY

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Capital reserve</b>		
Balance at the beginning of the year	0.4	0.4
Additions on account of business combination (refer Note 44)	1,24,385.1	-
Balance at the end of the year	<b>1,24,385.5</b>	<b>0.4</b>
<b>(b) Capital redemption reserve</b>		
Balance at the beginning of the year	10.0	410.0
Transferred to retained earnings*	-	(400.0)
Balance at the end of the year	<b>10.0</b>	<b>10.0</b>
<b>(c) Securities premium</b>		
Balance at the beginning of the year	1,321.2	1,321.2
Add: premium on issue of equity shares (refer note 16(h) and (i))	99,312.8	-
Less: Transaction costs on issue of equity shares (refer note 16(h) and (i))	(1,292.7)	-
Balance at the end of the year	<b>99,341.3</b>	<b>1,321.2</b>
<b>(d) General reserve</b>		
Balance at the beginning of the year	21,340.5	21,340.5
Transferred from retained earnings	-	-
Balance at the end of the year	<b>21,340.5</b>	<b>21,340.5</b>
<b>(e) Foreign currency translation reserve</b>		
Balance at the beginning of the year	949.4	939.0
Foreign currency translation difference during the year	(2,743.3)	10.4
Balance at the end of the year	<b>(1,793.9)</b>	<b>949.4</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(f) Effective portion of cash flow hedge</b>		
Balance at the beginning of the year	(2,538.9)	(2,409.7)
Arising / adjusted during the year	1,406.3	(129.2)
Balance at the end of the year	<b>(1,132.6)</b>	<b>(2,538.9)</b>
<b>(g) Share options outstanding reserve</b>		
Balance at the beginning of the year	463.2	337.1
(Deductions) / Additions during the year	(215.4)	126.1
Balance at the end of the year	<b>247.8</b>	<b>463.2</b>
<b>(h) Money received against share warrants</b>		
Balance at the beginning of the year	-	-
Warrants issued during the year	2,498.4	-
Balance at the end of the year	<b>2,498.4</b>	-
<b>(i) Retained earnings</b>		
Balance at the beginning of the year	91,973.4	59,499.4
Add: Profit after tax for the year	5,575.3	35,744.7
Other comprehensive income recognised directly in retained earnings	464.7	(140.1)
Others	-	400.0
Balance from ESOP	215.4	-
Less: Appropriations		
Final equity dividend (refer note 16(c))	692.3	1,038.4
Interim equity dividend	-	2,492.2
Balance at the end of the year	<b>97,536.5</b>	<b>91,973.4</b>
	<b>3,42,433.5</b>	<b>1,13,519.2</b>

### Description of nature and purpose of each reserve

#### (a) Capital reserve

Capital reserve includes surplus on re-issue of shares made in the financial year 1996-97 amounting to ₹ 0.4 Lakhs and capital reserve generated on account of bargain purchase arising through business combination. The reserve is not available for distribution.

#### (b) Capital redemption reserve

Capital redemption reserve is created pursuant to redemption of Preference Share Capital (₹ 400.0 Lakhs) in the Financial Year 2013-14 and buy-back of Equity Shares (₹ 10.0 Lakhs) in the Financial Year 2006-07.

\*During the previous year, Capital redemption reserve amounting to ₹ 400.0 Lakhs has been reclassified to Retained earnings as per regulatory requirements.

#### (c) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares and adjustment on account of transaction costs in accordance with the provisions of the Companies Act, 2013.

#### (d) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

### (e) Foreign currency translation reserve

For the preparation of the Consolidated Financial Statements, assets and liabilities of foreign operations are translated to Indian Rupees at exchange rates prevailing at the reporting period end; income and expense items are translated at the average exchange rates prevailing during the period. Differences arising on such translation are accumulated in foreign currency translation reserve.

### (f) Effective portion of cash flow hedge

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the underlying hedged transaction occurs (refer note 43 and 48).

### (g) Share options outstanding reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under employee stock option plan (refer note 46).

### (h) Money received against share warrants

The Fund Raising Committee of the Board of Directors of the Holding Company at its meeting held on 31<sup>st</sup> October, 2024, approved raising of funds not exceeding ₹ 10,000 lakhs (Rupees ten thousand lakhs only) by way of issuance of upto 9,80,000 (Nine Lakhs Eighty Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company of face value of ₹ 2/- each ("Warrants") at a price of ₹ 1,019.75 each payable in cash, which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (eighteen) months, to Mr. Rajesh Balkrishna Rathi, being a part of the promoter and promoter group of the Holding Company, by way of a preferential issue through private placement offer. The same was subsequently approved by the Shareholders of the Holding Company by way of resolution passed by Postal Ballot on 30<sup>th</sup> November, 2024. The Fund Raising Committee of the Board of Directors of the Holding Company at its meeting held on 13<sup>th</sup> December, 2024, approved the allotment of 9,80,000 warrants to Mr. Rajesh Balkrishna Rathi, as per the details set forth below:

Name of Allottee	Category	Number of warrants allotted	Price at which the warrants are issued (in ₹) (per warrant)	Paid-up value per warrant on allotment (in ₹)* (at least 25% of the price at which the warrants are issued)	Consideration received as on the date of allotment (in ₹ lakhs)*
Mr. Rajesh Balkrishna Rathi	Member of the Promoter and Promoter Group and Managing Director	9,80,000	1,019.75 (Including premium of ₹ 1,017.75 per warrant)	254.9	2,498.4

\* The warrant holder will be required to make further payments of ₹ 764.81 (Rupees Seven Hundred Sixty Four and Eighty One Paise Only) for each Warrant, which is equivalent to 75% (seventy five percent) of the Warrants Issue Price at the time of exercise of the right attached to Warrant(s) to subscribe to equity share(s).

### (i) Retained earnings

Retained earnings are the profits / (losses) that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 18 DISTRIBUTION MADE AND PROPOSED TO BE MADE

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Dividends on equity shares declared and paid :</b>		
Final dividend for the year ended 31 <sup>st</sup> March, 2024 : ₹ 1.0 per share	692.3	-
Interim dividend for the year ended 31 <sup>st</sup> March, 2024 : ₹ 3.6 per share	-	2,492.2
Final dividend for the year ended 31 <sup>st</sup> March, 2023 : ₹ 1.5 per share	-	1,038.4
<b>Proposed dividend on equity shares : Final dividend</b>		
Final dividend for the year ended 31 <sup>st</sup> March, 2025 : ₹ 4.5 per share*	3,535.8	-
Final dividend for the year ended 31 <sup>st</sup> March, 2024 : ₹ 1.0 per share	-	692.3

\*Proposed dividends on equity shares are subject to approval at the Annual General Meeting of the Holding Company and are not recognised as a liability as at year end. Dividend for the year ended 31<sup>st</sup> March, 2024 was subsequently approved by the shareholders at the 73<sup>rd</sup> Annual General Meeting of the Holding Company.

The Holding Company has complied with the provisions of Section 123 of the Companies Act, 2013 related to dividend declared and dividend paid.

### 19 BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current borrowings:</b>		
<b>Secured</b>		
<b>Term loans from banks</b>		
Foreign currency loans (refer note 19 (c) (a) (i) and (iii))	1,61,289.4	9,438.3
<b>Unsecured</b>		
<b>Debentures</b>		
8.45% p.a unsecured rated listed taxable redeemable Non-convertible Debentures (NCDs) (refer note 19 (c) (b) (i))	-	9,893.2
<b>Term loans from related party</b>		
Rupee loans (refer note 19 (c) (b) (iii) and note 42)	1,899.5	-
	<b>1,63,188.9</b>	<b>19,331.5</b>
<b>(b) Current borrowings:</b>		
<b>Secured</b>		
<b>From banks :</b>		
Rupee loans (refer note 19 (c) (a) (iv))	9,231.8	1,610.7
Foreign currency loans (refer note 19 (c) (a) (iv))	3,953.6	3,747.0
<b>Current maturities of non-current borrowings</b>		
Rupee loans (refer note 19 (c) (a) (ii))	-	199.1
Foreign currency loans (refer note 19 (c) (a) (i))	7,413.4	15,941.4
<b>Unsecured</b>		
<b>From banks :</b>		
Rupee loans (refer note 19 (c) (b) (ii))	14,189.7	2,672.0
<b>Debentures</b>		
8.45% p.a unsecured rated listed taxable redeemable Non-convertible Debentures (NCDs) (refer note 19 (c) (b) (i))	10,489.0	591.3
	<b>45,277.5</b>	<b>24,761.5</b>

Non-current borrowings are disclosed net of unamortized finance cost of ₹ 3,240.8 Lakhs (31<sup>st</sup> March, 2024: ₹ 138.8 Lakhs)

## **Notes to the Consolidated Financial Statements** as at and for the year ended 31<sup>st</sup> March, 2025 (All amounts are in ₹ Lakhs, unless otherwise stated)

The above balance also includes interest accrued but not due amounting to ₹ 762.0 lakhs as at 31<sup>st</sup> March, 2025 and ₹ 723.0 lakhs as at 31<sup>st</sup> March, 2024.

### **OTHER REGULATORY INFORMATION**

The Holding Company and its subsidiaries / joint ventures incorporated in India file monthly / quarterly statement for its current assets with banks. Further, pursuant to subsequent adjustment if any post closures of yearly books and statutory audit, the Holding Company and its subsidiaries / joint ventures files the revised return with the updated amounts at the year end.

The charges or satisfaction on the assets of the Holding Company and its subsidiaries / joint ventures incorporated in India are registered with Registrar of Companies within the statutory period. The Holding Company and its subsidiaries / joint ventures does not have any charges or satisfaction which are yet to be registered with Registrar of Companies (ROC) beyond statutory period.

The Holding Company and its subsidiaries / joint ventures incorporated in India has used the borrowings obtained from banks and financial institutions for the specific purpose for which they were taken during the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

The Holding Company and its subsidiaries / joint ventures incorporated in India has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 19 (c) BORROWINGS - SECURITY DETAILS AND REPAYMENT SCHEDULE

Security	Instalment start date	Last Instalment Payable on	Terms of Repayment	Effective Interest Rate p.a.	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
					Current	Non-Current	Current	Non-Current
<b>a) SECURED</b>								
<b>i) Foreign currency term loans / ECBs from banks</b>								
Secured by a first pari passu charge on all the movable property, plant and equipment both present and future situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amralewadi, Dist. Pune and further secured by way of mortgage by first pari passu charge on the immovable properties of the Holding Company situated at Roha, Mahad. Dist. Raigad and Ambadvet (Sutarwadi), Amralewadi, Dist. Pune								
The bankers are:								
State Bank of India (Loan drawn USD 22 Mn)	27-Sep-21	27-Sep-25	17 equal quarterly instalments	3 month SOFR + 1.40% + 0.26%	2,197.1	-	4,320.8	2,119.3
State Bank of India (Loan drawn USD 40 Mn)	27-May-21	31-Aug-25	18 equal quarterly instalments	3 month SOFR + 1.50% + 0.26%	1,924.3	-	8,359.0	1,835.5
Axis Bank Limited (Loan drawn USD 13.23 Mn)	30-Sep-23	31-Dec-26	14 equal quarterly instalments	6 month SOFR + 1.25% + 0.4286%	3,292.0	2,412.5	3,261.6	5,483.5
<b>ii) Term loan in Rupees</b>								
The banker is ICICI Bank (Loan drawn ₹ 600 lakhs) (Drawn by RIECO Industries Limited) and the loan is secured by Corporate Guarantee by the Holding Company.	11-May-22	20-Oct-24	17 equal monthly instalments	Repo rate + 2.5%	-	-	199.1	-
<b>iii) Foreign Currency Term Loan</b>								
Syndicated Term Loan Borrowing of Sudarshan Europe B.V. Wholly Owned Subsidiary, underwritten by Standard Chartered Bank and The Hongkong and Shanghai Banking Corporation Limited, secured by way of Corporate Guarantee issued by the Holding Company.	27-Feb-25	27-Feb-30	15 quarterly ballooning instalment	3 Months Euribor+2.50%	-	1,58,876.9	-	-



## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 19 (d) Assets pledged as security

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Non Current</b>		
Property, plant and equipment	95,119.3	1,01,289.1
<b>Current</b>		
Inventories	43,547.2	38,676.5
Trade receivables	81,338.6	64,305.4

### 20 TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total outstanding dues of micro enterprises and small enterprises	5,722.7	6,121.6
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,34,122.3	45,083.0
	<b>1,39,845.0</b>	<b>51,204.6</b>
Trade payable to:		
(i) Related parties (refer Note 42)	17.1	15.4
(ii) Others	1,39,827.9	51,189.2
<b>Total</b>	<b>1,39,845.0</b>	<b>51,204.6</b>

Following is the ageing schedule for trade payables

As at 31<sup>st</sup> March, 2025

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises (Undisputed)	224.5	5,339.4	157.4	1.4	-	-	<b>5,722.7</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises (Undisputed)	46,163.8	70,977.4	15,638.1	343.4	350.5	649.1	<b>1,34,122.3</b>
Total outstanding dues of micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
<b>Total</b>	<b>46,388.3</b>	<b>76,316.8</b>	<b>15,795.5</b>	<b>344.8</b>	<b>350.5</b>	<b>649.1</b>	<b>1,39,845.0</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

As at 31<sup>st</sup> March, 2024

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises (Undisputed)	-	6,029.9	91.7	-	-	-	6,121.6
Total outstanding dues of creditors other than micro enterprises and small enterprises (Undisputed)	4,779.6	32,454.9	7,403.1	319.3	25.4	100.7	45,083.0
Total outstanding dues of micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Disputed)	-	-	-	-	-	-	-
<b>Total</b>	<b>4,779.6</b>	<b>38,484.8</b>	<b>7,494.8</b>	<b>319.3</b>	<b>25.4</b>	<b>100.7</b>	<b>51,204.6</b>

\* Unbilled represents accrual for expenses.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are generally settled on 60 to 90 days terms.
- For terms and conditions with related parties, refer note 42.

For the Group's credit risk management processes, refer note 43.

### 21 OTHER FINANCIAL LIABILITIES (at amortized cost)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
Security deposit	411.8	161.3
	<b>411.8</b>	<b>161.3</b>
<b>(b) Current:</b>		
Unclaimed dividend (as and when due)*	716.1	595.6
Unpaid matured deposits including interest thereon	11.3	13.2
Payable for capital goods	775.9	354.7
Employee dues	17,649.1	2,832.8
Commission payable to directors	1,616.3	98.0
Provision for CSR expenses	271.6	-
Other liabilities**	42,411.8	368.1
	<b>63,452.1</b>	<b>4,262.4</b>

\* Unpaid dividend does not include amount due and outstanding, to be credited to the Investor Education and Protection Fund.

\*\* Includes amount payable towards miscellaneous customer deposits, payable to administrator, etc (refer note 44 (h)).

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 22 DERIVATIVE INSTRUMENTS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Current:</b>		
<b>Derivatives not designated as hedges (FVTPL)</b>		
Foreign currency forward contracts	353.8	82.0
	<b>353.8</b>	<b>82.0</b>

Note: Refer note 48 for hedging activities and note 43 for foreign currency risk management.

### 23 PROVISIONS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
<b>Provision for employee benefits (refer note 38)</b>		
Provision for pension	5,633.9	1,175.5
Provision for gratuity	2,417.1	1,084.7
Provision for compensated absences	2,035.0	914.8
	<b>10,086.0</b>	<b>3,175.0</b>
<b>Other Provisions<sup>#</sup></b>		
Provision for onerous contracts (refer note (i))	10,102.6	-
Provisions recognised on account of business combination (Refer note 44)	31,773.8	-
Provision for litigations (Refer note (ii))	7,361.9	-
	<b>49,238.3</b>	<b>-</b>
	<b>59,324.3</b>	<b>3,175.0</b>
<b>(b) Current:</b>		
<b>Provision for employee benefits (refer note 38)</b>		
Provision for pension	1,746.9	176.3
Provision for compensated absences	476.6	173.2
	<b>2,223.5</b>	<b>349.5</b>
<b>Other Provisions<sup>#</sup></b>		
Provision for onerous contracts (refer note (i))	8,280.3	-
Other provisions (Refer note (iii))	820.2	-
	<b>9,100.5</b>	<b>-</b>
	<b>11,324.0</b>	<b>349.5</b>

#### (i) Provision for onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract. A provision has been made for contracts of the Group where the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits. The timing of cash outflows in respect of such provision is over the contract period.

#### (ii) Provision for litigations.

Provision for claims against the Group by Narmada Clean Tech on account of an ongoing litigation for effluent treatment charges which is being heard by the Arbitration Tribunal pursuant to directions of the Honourable Gujarat High Court.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The Group has paid under protest an amount of ₹ 6,853.1 lakhs as per an interim order passed by the Honourable Gujarat High Court without expressing any final opinion on merits of the appeal. The said amount has been disclosed under 'other non-current assets' (refer note 9).

### (iii) Other provisions

Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

#### Movement in provisions

Particulars	Provision for litigations	Provision for onerous contracts	Provisions recognised on account of business combination (Refer note 44)	Other provisions
<b>As at 1<sup>st</sup> April, 2024</b>	-	-	-	-
Additions on account of business combination (refer note 44)	7,361.9	18,382.9	31,759.9	820.2
Additional provision recognised during the year	-	-	-	-
Utilised during the year	-	-	-	-
Unused amounts reversed	-	-	-	-
Unwinding of discount and changes in the discount rate	-	-	13.9	-
<b>As at 31<sup>st</sup> March, 2025</b>	<b>7,361.9</b>	<b>18,382.9</b>	<b>31,773.8</b>	<b>820.2</b>
<b>Breakup of provisions:</b>				
Current	-	8,280.3	-	820.2
Non-current	7,361.9	10,102.6	31,773.8	-
<b>Total</b>	<b>7,361.9</b>	<b>18,382.9</b>	<b>31,773.8</b>	<b>820.2</b>

\*There were no 'other provision' in the previous year ended 31<sup>st</sup> March 2024, accordingly no movement schedule has been provided.

Refer note 44 for details related to provision recognised on account of business combination.

## 24 OTHER LIABILITIES

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current:</b>		
Deferred government grant *	107.1	302.8
Other liabilities**	572.8	-
	<b>679.9</b>	<b>302.8</b>
<b>(b) Current:</b>		
Statutory dues <sup>#</sup>	5,079.1	785.9
Deferred government grant *	62.0	177.8
Contract liabilities (advances from customers)	12,148.0	3,978.7
Other liabilities**	666.3	34.6
	<b>17,955.4</b>	<b>4,977.0</b>

\* The Holding Company has availed import duty exemption under Export Promotion Capital Goods ("EPCG") scheme, EPCG scheme is a scheme which allows an exporter to import of capital goods including spares for pre-production, production and post-production at zero Customs duty, for exports. As per the scheme, the Group has undertaken export obligation amounting to 6 times of the amount saved on duty on the capital goods.

\*\*Pertains to other sundry liabilities

<sup>#</sup> Includes payable with respect to Goods & Services Tax, Grampanchayat Tax, Withholding Taxes, Provident Fund etc.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 25 INCOME AND DEFERRED TAXES

The major components of income tax expense for the years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024 are :

#### Statement of Profit and Loss :

Profit and loss section	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Current income tax :</b>		
Tax on Exceptional item	-	6,811.6
Current income tax charge	8,211.6	2,644.6
<b>Adjustment in respect of current income tax of previous year</b>	348.1	-
<b>Deferred tax :</b>		
Relating to origination and reversal of temporary differences	(4,659.1)	1,852.1
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>3,900.6</b>	<b>11,308.3</b>

OCI section	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Deferred tax related to items recognised in OCI:</b>		
Tax (charge)/ reversals on net movement on effective portion of cash flow hedges	166.1	(149.2)
Tax (charge)/ reversals on re-measurement of defined benefit plans	(43.9)	47.1
<b>Income tax (charged) / reversal to OCI</b>	<b>122.2</b>	<b>(102.1)</b>

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for year ended 31 <sup>st</sup> March, 2025 and 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Accounting profit before exceptional items and tax from operations	19,993.0	15,542.9
Applicable income tax rate of 25.168% (31 <sup>st</sup> March, 2024: 25.168%)	5,031.8	3,912.1
Deferred tax recognised / (de-recognized) on undistributed reserves of subsidiary	(1,252.4)	361.0
Deferred tax not recognised on loss making entities	279.3	(142.8)
Difference in rate of tax due to operations in different jurisdictions	(292.3)	28.1
Other disallowances (CSR, donations, etc.)	(177.1)	179.9
Adjustment in respect of reversal of income tax expense of earlier years	348.1	158.4
Others	(36.8)	-
<b>Income tax expense reported in the Statement of Profit and Loss excluding exceptional items</b>	<b>3,900.6</b>	<b>4,496.7</b>

#### Major components of deferred tax as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024:

Deferred tax liability (net)	Balance Sheet	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Deferred tax relates to the following:</b>		
<b>Deferred tax liability :</b>		
Accelerated depreciation for tax purposes	30,900.0	7,617.8
Undistributed reserves of subsidiary	344.7	1,597.1
Other temporary differences*	8,735.9	1,104.2
	<b>39,980.6</b>	<b>10,319.1</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Deferred tax liability (net)	Balance Sheet	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Deferred tax assets :</b>		
Allowance for expected credit loss	(2,712.0)	(347.5)
Carried forwarded tax loss	(1,909.9)	(170.3)
Provision for inventory	(7,513.8)	(417.3)
Expenditure allowed on actual payment	(2,871.2)	(1,194.1)
Other temporary differences*	(1,469.3)	-
<b>Net deferred tax liabilities</b>	<b>23,504.4</b>	<b>8,189.9</b>

\* It includes deferred tax on fair valuation adjustment of acquired entities.

### Closing balances of deferred tax assets and liabilities as on 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024

Particulars	Balance Sheet	
	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Deferred tax assets	(5,896.9)	(921.7)
Deferred tax liabilities	29,401.3	9,111.6
	<b>23,504.4</b>	<b>8,189.9</b>

### Major components of deferred tax expenses for the year ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024:

Deferred tax expense/ (income)	Balance Sheet	
	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Deferred tax relates to the following:</b>		
Accelerated depreciation for tax purposes	1,086.4	996.2
Undistributed reserves of subsidiary	(1,252.4)	361.0
Other temporary differences	(916.6)	348.6
Allowance for expected credit loss	(513.7)	5.0
Carried forwarded tax loss	(1,739.6)	634.7
Provision for inventory	285.5	44.2
Expenditure allowed on actual payment	(518.8)	(435.5)
Others	(1,212.1)	-
<b>Deferred tax expense</b>	<b>(4,781.3)</b>	<b>1,954.2</b>

Reconciliation of deferred tax liabilities (net)	Balance Sheet	
	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Opening balance	8,189.9	6,235.8
Tax expense/(income) during the period recognised in the Statement of Profit and Loss	(4,659.1)	1,852.0
Tax expense/(income) during the period recognised in OCI	(122.2)	102.1
Acquired on account of business combination (Refer note 44)	20,399.9	-
Exchange differences	(303.9)	-
<b>Closing balance</b>	<b>23,504.4</b>	<b>8,189.9</b>

There is no such transaction which is not recorded in the books of accounts and 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).

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### INCOME TAX ASSETS / LIABILITIES (NET) (recoverable/ payable on account of open assessment of Income Tax)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>(a) Non-current tax assets (net):</b>		
Income tax assets	29,640.6	12,809.8
Income tax liabilities	25,745.7	11,152.6
Net income tax assets	<b>3,894.9</b>	<b>1,657.2</b>
<b>(b) Current tax liabilities (net):</b>		
Income tax liabilities	23,642.9	23,776.9
Income tax assets	14,901.4	23,510.1
Net income tax liabilities	<b>8,741.5</b>	<b>266.8</b>

### UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets have not been recognised in respect of the carried forwarded losses of following entities, because it is not probable that future taxable profit will be available against which the Group can use the benefits there from:

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Gross Amount	Unrecognised Deferred tax Assets	Gross Amount	Unrecognised Deferred tax Assets
Sudarshan Japan Limited	-	-	226.9	56.7
Sudarshan (Shanghai) Trading Company Limited	-	-	344.4	86.1
Heubach Colorants USA LLC	668.0	167.0	-	-
Heubach Holding USA LLC	2,837.6	709.4	-	-
Heubach Pigment Pvt Ltd	12,099.6	2,075.8	-	-
Heubach Colorants Argentina S.A.U.	3,792.1	1,137.6	-	-
Heubach Colorants Belgium SPRL	2,357.3	589.3	-	-
Heubach Colorants Canada Inc.	2,271.7	340.8	-	-
Heubach Colorants Switzerland AG	1,521.1	241.9	-	-
Heubach Colorants (Shanghai) Ltd.	8,339.8	2,084.9	-	-
Heubach Colorants Colombia S.A.S.	37.1	13.0	-	-
Heubach Colorants France SAS	81.5	20.4	-	-
Heubach Colorants UK Ltd.	4,237.5	1,059.4	-	-
P.T. Heubach Colorants Indonesia	77.6	17.1	-	-
Heubach Colorants Italy srl	533.4	133.4	-	-
Heubach Colorants Korea Ltd.	370.0	77.3	-	-
Heubach Colorants (Thailand) Ltd	902.6	180.5	-	-
Heubach Colorants Southern Africa (Pty) Ltd	1,003.8	271.0	-	-
Heubach Colorants México, S.A. de C.V.	2,533.0	759.9	-	-
	<b>43,663.7</b>	<b>9,878.7</b>	<b>571.3</b>	<b>142.8</b>

Includes unrecognised deferred tax assets on pre-acquisition accumulated losses of acquired Group. The Group's management is currently in the process of assessing time availability of these losses.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 26 REVENUE FROM OPERATIONS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Sale of products	3,30,884.7	2,51,158.1
Sale of services	552.8	273.3
	<b>3,31,437.5</b>	<b>2,51,431.4</b>
<b>Other operating revenues</b>		
Government grants (export incentives)	2,122.6	1,658.3
Miscellaneous operating income #	997.4	788.0
	<b>3,120.0</b>	<b>2,446.3</b>
<b>Total revenue from operations</b>	<b>3,34,557.5</b>	<b>2,53,877.7</b>

# Miscellaneous operating income includes sale of by products and sale of manufacturing scrap.

Below is the disclosure as required under Ind AS 115 - "Revenue from Contracts with Customers".

#### (a) Revenue streams

The Group generates revenue primarily from the sale of pigments and sale of engineering equipments. Other sources of revenue include income from export incentives, sale of manufacturing scrap and by products etc.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Sale of products	3,31,437.5	2,51,431.4
Other operating revenues	3,120.0	2,446.3
	<b>3,34,557.5</b>	<b>2,53,877.7</b>

#### (b) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Major product and service lines</b>		
Sale of pigments	3,08,608.8	2,19,603.7
Sale of engineering equipments	22,275.9	31,554.4
Sale of services	552.8	273.3
<b>Total</b>	<b>3,31,437.5</b>	<b>2,51,431.4</b>
<b>Primary geographical market</b>		
In India	1,48,904.3	1,46,344.6
Outside India	1,82,533.2	1,05,086.8
<b>Total</b>	<b>3,31,437.5</b>	<b>2,51,431.4</b>
<b>Timing of revenue recognition</b>		
Products transferred at point in time*	3,14,623.6	2,24,810.8
Products transferred over a period of time	16,813.9	26,620.6
<b>Total</b>	<b>3,31,437.5</b>	<b>2,51,431.4</b>

For movement of expected credit loss refer note 43

\* This includes revenue from contract with customers and miscellaneous operating income.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (c) Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Revenue from operations</b>	3,34,557.5	2,53,877.7
<b>Less: Adjustments</b>		
Government grants (export incentives)	2,122.6	1,658.3
<b>Revenue from contract with customers</b>	<b>3,32,434.9</b>	<b>2,52,219.4</b>
Add: Sales returns	1,640.8	1,194.0
Add: Commission	1,760.2	1,665.4
Add: Hedging gain / (loss)	1,261.2	217.6
<b>Revenue as per contracted price</b>	<b>3,37,097.1</b>	<b>2,55,296.4</b>

### (d) Contract balances

The following table provides information about trade receivables and contract liabilities from contracts with customers.

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Trade receivables	1,22,495.2	58,531.9
Contracts assets	2,732.2	5,191.4
Contracts liabilities (Deferred revenue)	524.4	-
Contract liabilities (advance from customers)	12,148.0	3,978.7

Significant changes in the trade receivables, contract assets and contract liabilities balances during the year is mainly on account of business combination (refer Note 44).

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Revenue recognised from amount included in contract liabilities at the beginning of the year	3,978.7	5,450.8
	<b>3,978.7</b>	<b>5,450.8</b>

## 27 OTHER INCOME

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Interest income on		
Bank deposits and other deposits	249.2	28.1
Others (on refunds of taxes and on delayed payments from customers)	167.5	377.5
Liabilities no longer required, written back	102.3	107.3
Net gain on sale of financial instruments	1,075.0	833.5
Net gain on fair valuation of financial instruments (FVTPL)	38.8	38.8
Gain on sale / disposal of property plant and equipments (net)	62.6	9.0
Refund of stamp duty	190.2	-
Miscellaneous income *	1,455.7	314.4
	<b>3,341.3</b>	<b>1,708.6</b>

\* Miscellaneous income majorly includes rental income, commission and sundry recoveries.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 28 COST OF RAW MATERIALS CONSUMED

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Inventory at the beginning of the year (refer note 10)	10,684.1	14,578.8
Add : Purchases (includes inventory acquired on account of business combination (refer note 44))	3,73,994.6	1,34,154.6
	<b>3,84,678.7</b>	<b>1,48,733.4</b>
Less: Inventory at the end of the year (refer note 10)	52,904.7	10,684.1
<b>Cost of raw materials consumed</b>	<b>3,31,774.0</b>	<b>1,38,049.3</b>

### 29 PURCHASE OF STOCK IN TRADE

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Purchase of Stock In Trade	1,792.1	1,923.5
	<b>1,792.1</b>	<b>1,923.5</b>

### 30 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Inventory at the end of the year (refer note 10)</b>		
Finished goods	1,46,308.8	21,592.1
Work-in-progress	39,411.7	7,933.9
	<b>1,85,720.5</b>	<b>29,526.0</b>
<b>Inventory at the beginning of the year (refer note 10)</b>		
Finished goods	21,592.1	22,878.9
Work-in-progress	7,933.9	8,213.6
	<b>29,526.0</b>	<b>31,092.5</b>
<b>Changes in inventory:</b>		
Finished goods	(1,24,716.7)	1,286.8
Work-in-progress	(31,477.8)	279.7
	<b>(1,56,194.5)</b>	<b>1,566.5</b>

### 31 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Salaries, wages and bonus (including directors remuneration)	30,575.3	18,524.9
Contribution to provident and other funds *	3,060.5	1,161.1
Gratuity expense (refer note 38)	248.3	231.3
Share based payments to employees (refer note 46)	-	126.1
Staff welfare expenses	1,717.8	951.6
	<b>35,601.9</b>	<b>20,995.0</b>

\* Includes contribution towards Employee State Insurance Scheme, Superannuation, and National Pension Scheme.

#### The Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employees benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3<sup>rd</sup> May, 2023. However, the final rules / interpretation have not yet been issued. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Compliance to Section 197 of the Companies Act, 2013

The remuneration paid / payable to the directors of the domestic subsidiary (RIECO Industries Limited) for the financial year ended 31<sup>st</sup> March, 2025, is in excess of the limits prescribed under the Companies Act, 2013 and was approved by the shareholder of the domestic subsidiary through a special resolution in Extra-ordinary General Meeting held on 29<sup>th</sup> May, 2025.

Further, the remuneration paid / payable to the directors of the domestic subsidiary (RIECO Industries Limited) for the financial year ended 31<sup>st</sup> March, 2024, was in excess of the limits prescribed under the Companies Act, 2013 and was approved by the shareholder of the domestic subsidiary through a special resolution in Extra-ordinary General Meeting held on 16<sup>th</sup> May, 2024.

### 32 FINANCE COSTS

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Interest expenses on bank facilities	3,865.0	3,311.8
Interest expenses on lease liabilities (refer note 5)	360.8	189.5
Other borrowing costs *	588.9	188.9
	<b>4,814.7</b>	<b>3,690.2</b>
Unwinding of discount on provisions (refer note 23)	13.9	-
	<b>4,828.6</b>	<b>3,690.2</b>

\*Includes charges for loan processing, unwinding of interest, etc.

### 33 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Depreciation on property, plant and equipment (refer note 3)	14,829.5	12,864.1
Amortisation on intangible assets (refer note 4)	962.9	844.7
Depreciation on right-of-use assets (refer note 5)	829.5	407.9
	<b>16,621.9</b>	<b>14,116.7</b>

### 34 OTHER EXPENSES

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Consumption of stores and spares	4,566.8	3,513.4
Consumption of packing material	3,714.7	2,671.3
Power and fuel	20,548.5	15,259.4
Water charges	2,316.9	1,197.8
Contract labour charges	8,699.7	7,300.6
Rent (refer note 5)	1,402.9	3,171.9
Repairs and maintenance		
- Plant and machinery	4,082.3	3,224.4
- Buildings	899.4	598.7
- Others	424.1	268.2
Insurance	1,215.3	921.2
Rates and taxes (excluding taxes on income)	433.4	349.0
Advertisement	559.8	363.2
Legal, professional and consultancy charges (includes auditors' remuneration)	8,577.1	4,540.4
Bad debts written off	116.6	371.3
Impairment losses on financial instruments	895.0	(142.9)
Bank charges	229.1	198.0

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Commission to selling agents	718.7	975.1
Freight and forwarding expenses	9,785.6	6,435.5
Directors' sitting fees	42.8	28.2
Foreign exchange loss (net) *	1,726.5	1,020.9
Consumables related to IT hardware	2,056.9	573.3
Printing, stationery and communication expenses	731.1	492.2
Travelling and conveyance	1,924.5	1,509.8
Expenditure towards Corporate Social Responsibility	257.2	253.8
Directors' commission	123.0	101.3
Environmental and treatment cost	3,670.9	1,834.9
Advance written-off	-	85.6
Provision for doubtful advances	-	195.7
Miscellaneous expenses **	3,763.0	2,390.0
	<b>83,481.8</b>	<b>59,702.2</b>

\* Includes mark to market (gain) / loss on derivatives amounting to (₹ 524.4 lakhs) (Previous Year ₹ 257.2 lakhs)

\*\* Miscellaneous expenses mainly includes cost related to effluent treatment facilities, waste disposal expenses, incidental equipment hire charges etc).

### 35 CAPITALISATION OF EXPENDITURE

In accordance with Ind AS 16 and Ind AS 38, the Group has capitalised directly attributable expenses as property, plant and equipment / capital work-in-progress (CWIP), Intangible assets and Intangible assets under development. Accordingly, expenses disclosed under the respective notes are net of amount capitalised by the Group. Expenses capitalized are as follows:

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March 2024
Other expenses*	84.7	253.0
	<b>84.7</b>	<b>253.0</b>

\* Includes power & fuel and water charges

### 36 EARNINGS PER SHARE

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Profit for the year attributable to owners of the Parent (A)	5,575.3	35,744.7
Equity shares outstanding at the beginning of the year	6,92,27,250	6,92,27,250
Add: Equity shares issued through preferential issue (allotment date:13 <sup>th</sup> January, 2025)	18,69,000	-
Add: Equity shares issued through qualified institutional placement (allotment date:29 <sup>th</sup> January, 2025)	74,76,635	-
Equity shares outstanding at the end of the year	7,85,72,885	6,92,27,250
Weighted average number of equity shares outstanding at the end of the year (B)	7,08,96,657	6,92,27,250
Add: Dilutive impact of employee stock options	88,963	98,030
Add: Dilutive impact of share warrants	611	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	7,09,86,230	6,93,25,280
Nominal value per equity share (in ₹)	2.0	2.0
Basic (in ₹) (A/B)	7.9	51.6
Diluted (in ₹) (A/C)	7.9	51.6

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 37 COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI for each type of reserve in equity is shown below :

Particulars	For the year ended 31 <sup>st</sup> March, 2025				
	Capital Reserve	Cash flow hedge reserve	Foreign currency translation reserve	Retained earnings	Total
Net movement on effective portion of cash flow hedge (net of tax)	-	1,406.3	-	-	1,406.3
Exchange gain / (loss) on translation of foreign operations*	-	-	(2,743.3)	-	(2,743.3)
Re-measurement gains / (losses) on defined benefit plans (net of tax)	-	-	-	464.7	464.7
Gain on bargain purchase	1,24,385.1	-	-	-	1,24,385.1
	1,24,385.1	1,406.3	(2,743.3)	464.7	1,23,512.8

Particulars	For the year ended 31 <sup>st</sup> March, 2024				
	Capital Reserve	Cash flow hedge reserve	Foreign currency translation reserve	Retained earnings	Total
Net movement on effective portion of cash flow hedge (net of tax)	-	(129.2)	-	-	(129.2)
Exchange gain / (loss) on translation of foreign operations*	-	-	10.4	-	10.4
Re-measurement gains / (losses) on defined benefit plans (net of tax)	-	-	-	(140.1)	(140.1)
	-	(129.2)	10.4	(140.1)	(258.9)

\* The Holding Company has not recognised tax impact on exchange gains / losses on translation of foreign operations in other comprehensive income as the Holding Company has determined that those entities will not be disposed-off / profits will not be distributed in the foreseeable future.

### 38 EMPLOYEE BENEFIT OBLIGATIONS

#### A Defined Contribution Schemes

The Group deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and other funds for the benefit of the employees. Accordingly, the Group's contribution during the year that has been recognised in consolidated statement of profit and loss amounts to ₹ 3,060.5 Lakhs (31<sup>st</sup> March, 2024 : ₹ 1,161.1 Lakhs).

#### B Defined Benefit Plans of the Group

##### I Gratuity

##### Funded Scheme :

The Group has a defined benefit gratuity plan for its employees and every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. An employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service. The scheme is funded with insurance companies in the form of qualifying insurance policies. The Group accounts for liability of such future benefits based on an independent actuarial valuation on projected accrued credit method carried out for assessing the liability as on the reporting date.

##### Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, as the Group takes on uncertain long term obligations to make future benefit payments.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in Balance Sheet for the plan.

Net employee benefit expense on account of gratuity recognised in employee benefit expenses:

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Current service cost	248.3	231.3
Net interest (income) / expense	58.6	64.4
Net expense	306.9	295.7

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

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Defined benefit obligation as at the beginning of the year	3,201.9	3,086.6
Additions on account of business combination (refer note 44)	4,515.9	-
Interest cost	231.4	220.6
Current service cost	248.3	231.3
Benefit payments from plan assets	(487.8)	(224.7)
Others	-	(5.7)
<b>Re-measurement (gain) / loss in other comprehensive income (OCI)</b>		
Actuarial (gain) / loss - Experience	(12.0)	(135.1)
Actuarial (gain) / loss - Financial	92.3	39.3
Actuarial (gain) / loss - Demographic	(10.4)	(10.4)
<b>Defined benefit obligation as at the end of the year</b>	<b>7,779.6</b>	<b>3,201.9</b>

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

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Fair value of plan assets at the beginning of the year	2,117.2	2,077.3
Additions on account of business combination (refer note 44)	3,582.0	-
Expected returns on plan assets	172.8	156.2
Employer contributions	6.6	146.2
Benefits paid	(490.4)	(224.7)
<b>Re-measurement gain / (loss) in other comprehensive income (OCI)</b>		
Actuarial gain / (loss) - Experience	(25.7)	(37.8)
<b>Fair value of plan assets at the end of year</b>	<b>5,362.5</b>	<b>2,117.2</b>

As at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024 plan assets were 100% invested in insurer managed funds.

Re-measurements for the period (Actuarial (gain) / loss)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
(Gain) / loss on defined benefit obligation - Experience	(12.0)	(135.1)
(Gain) / loss on defined benefit obligation - Financial	92.3	39.3
(Gain) / loss on defined benefit obligation - Demographic	(10.4)	(10.4)
(Gain) / loss on plan assets - Experience	25.7	37.8
<b>Amount recognised in the statement of OCI</b>	<b>95.6</b>	<b>(68.4)</b>

Net defined benefit liability / (asset) at the end of the year

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Defined Benefit Obligation	7,779.6	3,201.9
Fair value of plan assets	5,362.5	2,117.2
<b>Closing net defined benefit liability</b>	<b>2,417.1</b>	<b>1,084.7</b>

The principal assumptions used in determining gratuity obligations for the Group's plan are shown below:

### Demographic Assumptions

**Mortality:** Mortality for all periods has been assumed to be as per Indian Assured Lives Mortality (2012-14).

### Attrition:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Employee turnover		
age upto 30 years	18.0%	6.0%
age 31- 45 years	3.0%-10.0%	4.0%
age above 45 years	2.0%-5.5%	2.0%
Retirement Age	58-80 years	58-80 years

### Financial assumptions

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate	6.6% to 6.8%	7.1% to 7.2%
Expected rate of return on plan assets	6.8%	-
Expected rate of increment in compensation levels	5% to 9%	7% to 8%

A quantitative sensitivity analysis for significant assumptions are as shown below:

Assumptions	Defined benefit obligation			
	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate	(373.4)	437.4	(148.9)	163.8
Expected rate of increment in compensation levels	444.0	(386.2)	173.6	(160.1)

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Sensitivity analysis for each significant actuarial assumptions namely discount rate and salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year

The assumptions for mortality and attrition do not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sensitivity analysis.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Risk Exposure

The gratuity scheme is a salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.
- Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following is the maturity profile of undiscounted defined benefit obligation:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Within the next 12 months	1,298.4	414.2
Between 2 and 5 years	4,008.1	2,014.1
Beyond 5 years	6,416.5	2,532.4

Expected contribution by the group for the next year: ₹ 1,298.4 lakhs (Previous year: ₹ 414.2 lakhs)

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is between 6.2 years and 7.5 years (Previous Year : 12.8 years).

Composition of Plan Assets Major categories of Plan Assets are as under:*	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
	Funded	Funded
Government debt instruments	993.2	-
Other debt instruments	1,081.9	-
Insurer managed funds	218.7	146.2
Scheme of insurance- conventional product	922.5	-
Life Insurance Corporation of India (LIC)	1,884.9	1,971.0
Others	261.3	-
<b>Total</b>	<b>5,362.5</b>	<b>2,117.2</b>

\* Investment in plan assets are unquoted. In respect of LIC, plan assets are invested by LIC as per their guidelines and no further details are available with the Group

### II Pension

The Group provides for Pension, a defined benefit retirement plan covering eligible employees. The Group accounts for liability of such future benefits based on an independent actuarial valuation on projected accrued credit method carried out for assessing the liability as on the reporting date.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in Balance Sheet for the plan.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Net employee benefit expense on account of pension recognised in employee benefit expenses.

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Current service cost	78.0	5.0
Net interest (income) / expense	109.3	81.7
<b>Net expense</b>	<b>187.3</b>	<b>86.7</b>

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

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Defined benefit obligation as at the beginning of the year	1,351.8	1,171.0
Additions on account of business combination (refer note 44)	28,567.5	-
Interest cost	131.8	81.7
Current service cost	78.0	5.0
Employee Contribution	25.2	-
Benefit payments directly by employer	(1,470.5)	(161.5)
<b>Re-measurement (gain) / loss in other comprehensive income (OCI)</b>		
Actuarial (gain) / loss - Experience	268.5	212.2
Actuarial (gain) / loss - Financial	(867.0)	43.4
Actuarial (gain) / loss - Demographic	-	-
<b>Defined benefit obligation as at the end of the year</b>	<b>28,085.3</b>	<b>1,351.8</b>

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

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Fair value of plan assets at the beginning of the year	-	-
Additions on account of business combination (refer note 44)	21,855.2	-
Expected returns on plan assets	22.4	-
Employee contribution	24.5	-
Employer contributions	48.0	-
Mortality charges and taxes	-	-
Benefits paid	(1,279.7)	-
Others	28.4	-
<b>Re-measurement gain / (loss) in other comprehensive income (OCI)</b>		
Actuarial gain / (loss) - Experience	5.7	-
<b>Fair value of plan assets at the end of year</b>	<b>20,704.5</b>	<b>-</b>

Re-measurements for the period (Actuarial (gain) / loss)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
(Gain) / loss on defined benefit obligation - Experience	268.5	212.2
(Gain) / loss on defined benefit obligation - Financial	(867.0)	43.4
(Gain) / loss on defined benefit obligation - Demographic	-	-
(Gain) / loss on plan asset - Experience	(5.7)	-
<b>Amount recognised in the statement of OCI</b>	<b>(604.2)</b>	<b>255.6</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Net Defined Benefit Liability / (Asset) for the period

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Defined Benefit Obligation	28,085.3	1,351.8
Fair value of plan assets	20,704.5	-
<b>Closing net defined benefit liability</b>	<b>7,380.8</b>	<b>1,351.8</b>

The principal assumptions used in determining pension obligations for the Group's plan are shown below:

### Demographic Assumptions

#### Financial assumptions

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Discount rate	1.3% to 27.25%	7.2%
Pension increase rate	0% to 10.0%	10.0%
Retirement Age	55-80 years	80 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Defined benefit obligation			
	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate	(223.2)	265.5	(134.2)	167.9
Expected rate of increment in compensation levels	257.3	(220.9)	162.2	(133.0)

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by changes.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

The assumption for mortality and attrition do not have a significant impact on the liability, hence are not considered a significant actuarial assumption for the purpose of sensitivity analysis.

The following is the maturity profile of undiscounted defined benefit obligation:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Within the next 12 months	1,746.9	176.3
Between 2 and 5 years	3,819.1	900.2
Beyond 5 years	3,496.7	1,420.1

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### III Leave Encashment / Compensated Absences / Sick Leave

The leave obligations cover the Group's liability for sick leave, privilege leave and casual leave.

The amount of the provision settled within 12 months is presented as current, since the Group does not have an unconditional right to defer the settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following table shows bifurcation of current and non-current provision for leave encashment.

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Current leave obligations expected to be settled within the next 12 Months	476.6	173.2
Leave obligations expected to be settled beyond 12 months	2,035.0	914.8
	<b>2,511.6</b>	<b>1,088.0</b>

The Group provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of unutilised compensated absences and utilise it in the future periods or receive cash in lieu thereof as per Group's policy. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The measurement of such obligation is based on actuarial valuation as at the Balance Sheet date carried out by qualified actuary on projected accrued credit method carried out for assessing the liability as on the reporting date.

The principal assumptions used in determining Leave obligation for the Group are shown below:

Demographic Assumptions

Mortality: Mortality for all periods has been assumed to be as per Indian Assured Lives Mortality (2012-14).

Particulars	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024
Discount rate	6.60% to 7.20%	7.17% to 7.20%
Expected rate of increment in compensation levels	5% - 8%	7% - 8%
Employee turnover		
age upto 30 years	5.5%-18%	6.0%
age 31 - 45 years	4.0%-10%	4.0%
age above 45 years	2.0%	2.0%
Leave availment	5.0%	5.0%
Retirement age	58-80 years	58-80 years

### 39 Capital commitments and contingent liabilities

#### (a) Capital and Other Commitments

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>i. Capital commitments</b>		
Estimated value of contracts (purchase orders) remaining to be executed on capital account and not provided for (net of advances of ₹ 356.1 lakhs (31 <sup>st</sup> March, 2024: ₹ 171.9 lakhs))	1,826.8	646.4

#### ii. Other commitments

The Group has availed import duty exemption under Export Promotion Capital Goods ("EPCG") scheme, which allows an exporter to import of capital goods including spares for pre-production, production and post-production at zero Customs duty, for exports. As per the scheme, the Group has undertaken export obligation amounting to 6 times of the amount saved on duty on the capital goods. The Group has imported capital goods under the EPCG scheme to utilize the benefit of a zero or concessional customs duty rate. These benefits are subject to future export obligations which amount to ₹1,014.6 lakhs as at 31<sup>st</sup> March, 2025 (31<sup>st</sup> March, 2024 ₹2,884.2 lakhs).

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Sudarshan Europe B.V. along with persons acting in concert ("Acquirers") released open offer on 16<sup>th</sup> October, 2024 vide public announcement for the acquisition of up to 60,01,268 fully paid up equity shares of face value ₹ 10/- each of Heubach Colorants India Limited ("Target Company"), representing 26% of the voting share capital of Target Company from the public shareholders of the Target Company ("Open Offer"). Further, after completion of the said acquisition, on 18<sup>th</sup> March, 2025, Axis Capital Limited, acting as a Manager to the Open Offer, submitted the Draft Letter of Offer with SEBI as per the applicable provisions of SEBI SAST Regulations, 2011. The Acquirers shall complete the formalities relating to the said Open Offer upon receipt of requisite approval from SEBI.

Pending such approval as of 31<sup>st</sup> March, 2025, an amount of ₹ 36,150.0 lakhs has been transferred by SEBV to an escrow account, earmarked for such Open Offer and accordingly disclosed as a financial commitment in the consolidated financial statements.

### (b) Contingent Liabilities

Claims against the Group not acknowledged as debts

Particulars	As of 31 <sup>st</sup> March, 2025	As of 31 <sup>st</sup> March, 2024
Excise duty / Service tax demands - matters under dispute	3,958.7	507.1
GST / VAT / CST demands - matters under dispute	10,891.7	2,360.3
Custom duty demands - matters under dispute	330.4	330.4
Direct Tax demands - matters under dispute	1,381.4	370.0
Electricity duty on Power Generation (Refer note v)	3,235.6	2,810.4
Others*	245.5	-

\*It includes other miscellaneous matters

- i The Group's pending litigations comprise of claims against the Group pertaining to proceedings pending with Income Tax, Excise, Custom and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- ii It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments / decisions pending with various forums / authorities. The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required in this regard.
- iii The Group does not expect any reimbursements in respect of the above contingent liabilities.
- iv The Group has received demand orders from the Goods and Services Tax (GST) Department pertaining to the fiscal years 2017-18 to 2020-21. These orders are appealable and the Group believes that it has a good case on all the points raised by the GST Department. Hence there is no impact on the financial, operation or other activities of the Group due to issuance of these Orders.
- v The Government of Maharashtra revised electricity duty payable on captive power generation ("CPP") vide notification dated 13<sup>th</sup> April, 2015 and accordingly MSEDCL issued a Circular no 214 dated 23<sup>rd</sup> April, 2015, the revised rates for CPP was revised to 120 paise per unit from 30 paise per unit. The rates for CPP increased by 4 times, which was very high, therefore the Captive Power Producers Association filed writ petition with Bombay High Court which has been admitted by H.C. vide case No. WP/4963/2015 and WP/906/2017. The High Court passed interim stay order, subsequently during the last hearing held on 24<sup>th</sup> January, 2020, the bench passed the order to continue the interim stay granted previously. The Group has obtained an opinion from a subject-matter expert ('SME') on the Electricity Duty contingency. The matter is sub-judice with the Bombay High Court and the SME has opined that the Group has a good case of success in the proceedings.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- vi During the year ended March 31, 2025, the Group has applied for the amnesty scheme for specific eligible cases (for FY 2017-18) and Cenvat related case (FY2015 -16 to FY 2016 -17) of which ₹ 28.0 lakhs is shown as contingent liabilities in the above disclosure.
- vii During the year end 31 March 2025, one of the acquired subsidiaries of the Group has received various invoices for group management charges from Heubach group GmbH amounting ₹ 1,600 lakhs. Heubach group GmbH is not able to provide supporting evidence or substantiate the rendering of services on the Group against the various invoices raised during the year. In consideration of above points, management is of the view that as these services are not rendered to the Group, accordingly these invoices have been returned to the Heubach group GmbH and has not been accounted as expenditure during the year ended 31<sup>st</sup> March, 2025.

The above amounts are net of provisions made on accounts of business combinations (refer note 44)

For contingent liabilities relating to Joint ventures (refer note 53)

### (c) OTHER LITIGATIONS

There are several other cases which has been determined as remote or has been provided in the books by the Group and hence not been disclosed above.

### (d) GUARANTEES EXCLUDING FINANCIAL GUARANTEES

The Group has given corporate guarantees amounting to ₹ 712.3 Lakhs on behalf of subsidiary company. The Group has reviewed the financial position along with consideration of other factors of the entity to whom the guarantees are issued and has determined that the exposure of revocation of liability is remote. Hence these financial guarantees are not measured at fair value as per Ind AS 109 - Financial Instruments (Refer note 43). The Holding Company has issued guarantees to Maharashtra Pollution Control Board, Maharashtra State Electricity Distribution Company Limited, Custom Authorities and other authorities amounting to ₹ 645.0 lakhs (Previous Year ₹ 729.8 lakhs). The Group has given guarantees to customers as performance bank guarantee amounting to ₹ 2,109.78 Lakhs (March 31,2024 ₹ 3,278.9). The management has considered the probability of outflow of the same as remote.

## 40 OTHER STATUTORY INFORMATION AS REQUIRED BY NOTIFICATION ISSUED BY MINISTRY OF CORPORATE AFFAIRS DATED 24TH MARCH, 2021 ON AMENDMENTS ON SCHEDULE III.

- (a) There are no Loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- (b) The Holding Company and its Indian subsidiaries does not hold any Benami property and no proceedings have been initiated or pending against the Holding Company or its Indian subsidiaries for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (c) The Holding Company and its Indian subsidiaries have balance with the below-mentioned companies struck off under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956:

Name of struck off Company	Nature of transactions with struck-off Company	Balance Outstanding		Relationship with the Struck off company, if any, to be disclosed
		As of 31 <sup>st</sup> March, 2025	As of 31 <sup>st</sup> March, 2024	
Extreme Automation Pvt Ltd	Trade payables	-	3.9	None
Aspen Systems Private Limited	Trade payables	0.1	0.1	None
Prayag Polytech Private Limited	Trade receivables	484.0	484.0	None
Prakash Chemicals Private Limited	Trade payables	0.1	-	None

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- (d) The Holding Company and its Indian subsidiaries have not traded or invested in Crypto currency or Virtual Currency during the current or previous financial year.
- (e) (A) The Holding Company and its Indian subsidiaries have not advanced or loaned or invested funds to any persons or entities, 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 Holding Company and its Indian subsidiaries (Ultimate Beneficiaries) or
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) The Holding Company and its Indian subsidiaries have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Holding Company and its Indian subsidiaries 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.

**(f) COMPLIANCE WITH SECTION 143 (3) FOR MAINTENANCE OF BOOKS OF ACCOUNT**

MCA has amended Rule 3 of the Companies (Accounts) Rules, 2014 (the "Accounts Rules") relating to the mode of keeping books of account and other books and papers in electronic mode through an amendment on 5<sup>th</sup> August, 2022. In compliance with the requirements of the amendment, the books of accounts and other relevant books and records are accessible in India at all times for the entities within the Group incorporated in India. Further, backup of books of account maintained in electronic form is kept in servers physically located in India on a daily basis.

The Holding Company, its subsidiaries and joint venture which are companies incorporated in India and whose financial statements have been audited under the Act have a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books of account and other relevant books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis:

Entity Name	Requirements u/s 143(3) of the Act	
	Books of Account maintained on cloud/ servers physically located in India	Backup maintained in India on daily basis
Sudarshan Chemical Industries Limited	Yes	Yes
RIECO Industries Limited	Yes	Yes
Heubach Colorants India Limited	No	No
Heubach Colour Private Limited	Yes	Yes
Heubach Pigments Private Limited	Yes	Yes
Heubach Toyo Colour Private Limited	Yes	Yes
Heubach Foundation	Yes	Yes
Sudarshan CSR Foundation	Yes	Yes

The management of the respective entities will take appropriate measures to comply with the said regulations.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (g) COMPLIANCE WITH SECTION 143 (3) FOR AUDIT TRAIL

The Holding Company, its subsidiaries and joint venture which are companies incorporated in India and whose financial statements have been audited under the Act have used accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for below instances:

- (i) Holding Company and 1 subsidiary have used accounting software where audit trail feature is not enabled for changes, if any, made using certain administrative access rights to the application and underlying database. These administrative rights were restricted to limited users;
- (ii) In respect of 1 subsidiary, no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes;
- (iii) In respect of the accounting software used for maintaining general ledger of 2 subsidiaries, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes;
- (iv) In respect of 2 subsidiaries, the accounting software used for maintaining the books of account relating to payroll, which is operated by a third party software service provider, in the absence of an independent auditor's report for the said service organisations from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> August, 2024, we are unable to assess whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software;
- (v) 2 subsidiaries have used accounting software where the feature of recording audit trail (edit log) was not enabled at the application level of the accounting software for a few fields/tables pertaining to revenue, purchase and other processes;
- (vi) 1 subsidiary has maintained records of property, plant and equipment and payroll manually.

Further, no instance of audit trail feature being tampered with was noted in respect of such accounting software where the audit trail has been enabled except for below instances:

- (i) With respect of the joint venture, due to limitations in the system configuration, we are unable to assess whether there were any instances of the audit trail feature being tampered with during the year;
- (ii) In respect of 2 subsidiaries referred to in (iii) above, we are unable to assess whether there were any instances of the audit trail feature been tampered with.

Additionally, the audit trail of prior year has been preserved as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year, except for 2 subsidiaries referred to in (iii) above, where we are unable to assess whether the audit trail has been preserved as per the statutory requirements for record retention.

### 41 IN ACCORDANCE WITH THE REQUIREMENTS OF DIVISION II - IND AS SCHEDULE III TO THE COMPANIES ACT, 2013, ANALYTICAL RATIOS HAVE BEEN DISCLOSED ONLY IN STANDALONE FINANCIAL STATEMENTS.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 42 RELATED PARTY TRANSACTION (AS PER IND AS 24 ON RELATED PARTY DISCLOSURES SPECIFIED UNDER SECTION 133 OF THE COMPANIES ACT 2013)

<b>A List of Related Parties and description of relationship</b>	
<b>(a) Key Management Personnel ("KMP")</b>	
- Mr. P. R. Rathi	Chairman (ceased to be Chairman and Non-Executive and Non-Independent Director with effect from close of business hours on 29th May, 2025)
- Mr. R. B. Rathi	Chairman and Managing Director (Appointed as a Chairman with effect from close of business hours on 29th May, 2025)
- Mr. A. Vij	Wholetime Director
Mr. A. N. Rathi	Non-Executive - Non-Independent Director (ceased with effect from 14th February, 2025)
Mr. D. N. Damania	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
Mr. S. Padmanabhan	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
Mr. S. K. Asher	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
Mrs. R. F. Forbes	Non-Executive - Independent Director (ceased with effect from 6th August, 2024 upon completion of second term of five years)
Dr. Deepak Parikh	Non-Executive - Independent Director (Resigned as an Independent Director effective close of business hours on 2nd February, 2024)
Mr. N. Raisinghani	Non-Executive - Independent Director
Mrs. S. A. Panse	Non-Executive - Independent Director
Mrs. S. Navandar	Non-Executive - Independent Director (appointed with effect from 2nd August, 2024)
Mrs. A. Wakhlu	Non-Executive - Independent Director (appointed with effect from 2nd August, 2024)
Ms. B. Batra	Non-Executive - Independent Director (appointed with effect from 2nd August, 2024)
Mr. Nilkanth Natu	Chief Financial Officer
Mr. Mandar Velankar	Company Secretary
<b>(b) Close member of Key Management Personnel</b>	
Mrs. R. R. Rathi	Wife of Mr. R. B. Rathi
Mr. R. P. Rathi	Son of Mr. P. R. Rathi *
Mrs. Jayashree Mantri	Sister of Mr. P. R. Rathi *
Smt. K. B. Rathi	Mother of Mr. R. B. Rathi

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Mr. A. B. Rathi	Brother of Mr. R. B. Rathi
Mrs. Meena Maheshwari	Sister of Mr. R. B. Rathi
Mrs. S. P. Rathi	Wife of Mr. P. R. Rathi *
Mrs. V. R. Rathi	Wife of Mr. R. P. Rathi
Mrs. R. R. Agarwal	Daughter of Mr. P. R. Rathi *
Mr. Rishab Agarwal	Husband of Mrs. R.R. Agarwal
Mr. N. J. Rathi	Father of Mr. A.N. Rathi **
Mrs. A. N. Rathi	Mother of Mr. A.N. Rathi **
Mrs. A. A. Rathi	Wife of Mr. A. N. Rathi **
Mrs. Rachna Biyani	Sister of A.N. Rathi **
Ms. Smriti R. Rathi	Daughter of Mr. R. B. Rathi
Ms. Tanvi R. Rathi	Daughter of Mr. R. B. Rathi
Mr. Armaan A. Rathi	Son of Mr. A. N. Rathi **
Mr. Rohan A. Rathi	Son of Mr. A. N. Rathi **

\*ceased to be close member of KMP following the resignation of Mr. P. R. Rathi as a Chairman and Non-Executive and Non-Independent Director with effect from close of business hours on 29th May, 2025.

\*\*ceased to be close member of KMP following the resignation of Mr. A. N. Rathi as a Non-Executive and Non-Independent Director with effect from close of business hours on 14th February, 2025.

### (c) Others: Joint Ventures

Heubach Toyo Colour Private Limited (w.e.f. 03 <sup>rd</sup> March, 2025)
Hangzhou Baihe Heubach Pigments Co. Ltd. (w.e.f. 03 <sup>rd</sup> March, 2025)

### (d) Others : Entities in which Key Management Personnel and / or their relatives exercise significant influence with whom the Group has entered into the transaction during the course of the period.

- Balkrishna Rathi Finance Private Limited	Rabro Speciality Chemicals Private Limited
- PRR Finance Private Limited	Shri Jagannath Rathi Charity Trust
- NJR Finance Private Limited	Crawford Bayley & Co
- Forbes Marshall Private Limited	Pragati-Leadership Institute Private Limited
- Sudarshan Chemical Industries Limited Employee Group Gratuity Scheme	Breakthrough Management Group India Private Limited
- Sudarshan Chemical Industries Limited Employee's Superannuation Scheme	Pigment Manufacturers Association of India
- Krohne Marshall Private Limited	

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 42 RELATED PARTY TRANSACTION (AS PER IND AS 24 ON RELATED PARTY DISCLOSURES SPECIFIED UNDER SECTION 133 OF THE COMPANIES ACT, 2013) :

#### B Transactions with Related Parties

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024				
	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total
<b>a Salary, Pension, Reimbursement of expenses etc.* :</b>	<b>2,116.3</b>	<b>9.7</b>	-	-	<b>1,721.4</b>	<b>13.7</b>	-	-	<b>1,735.1</b>
Mr. R.B.Rathi	1,692.5	-	-	-	1,375.6	-	-	-	1,375.6
Mr. A.Vij	235.4	-	-	-	194.4	-	-	-	194.4
Mr. Nilkanth J. Natu	114.8	-	-	-	78.0	-	-	-	78.0
Mr. Mandar Velankar	73.6	-	-	-	73.4	-	-	-	73.4
Others	-	9.7	-	-	-	13.7	-	-	13.7
<b>b Pension* :</b>	<b>54.6</b>	<b>91.2</b>	-	-	<b>50.1</b>	<b>83.9</b>	-	-	<b>134.0</b>
Mr. P. R. Rathi	54.6	-	-	-	50.1	-	-	-	50.1
Mr. N. J. Rathi	-	53.8	-	-	-	49.4	-	-	49.4
Mrs. K.B.Rathi	-	37.4	-	-	-	34.5	-	-	34.5
<b>c Commission (Subject to Shareholders' approval) :</b>	<b>93.0</b>	-	-	-	<b>99.3</b>	<b>2.0</b>	-	-	<b>101.3</b>
Mrs. S. A. Panse	17.3	-	-	-	15.0	-	-	-	15.0
Mr. P.R.Rathi	15.6	-	-	-	11.7	-	-	-	11.7
Mr. N. Raisinghani	15.6	-	-	-	9.8	-	-	-	9.8
Mr. A. N. Rathi	13.2	-	-	-	9.8	-	-	-	9.8
Mrs. Sudha Navandar	12.2	-	-	-	-	-	-	-	-
Mrs. Anu Wakhlu	10.2	-	-	-	-	-	-	-	-
Ms. Bhumika Batra	8.9	-	-	-	-	-	-	-	-
Mr. D. N. Damania	-	-	-	-	14.4	-	-	-	14.4
Mr. S. Padmanabhan	-	-	-	-	11.7	-	-	-	11.7
Dr. Deepak Parikh	-	-	-	-	7.3	-	-	-	7.3
Mr. S. K. Asher	-	-	-	-	9.8	-	-	-	9.8
Mrs. R. F. Forbes	-	-	-	-	9.8	-	-	-	9.8
Mr. N. J. Rathi	-	-	-	-	-	2.0	-	-	2.0

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total
<b>d Sitting fees:</b>	<b>42.9</b>	<b>1.2</b>	-	-	<b>44.1</b>	<b>26.8</b>	<b>1.4</b>	-	-	<b>28.2</b>
Mr. N. Raisinghani	7.1	-	-	-	7.1	2.4	-	-	-	2.4
Mr. P.R.Rathi	5.1	-	-	-	5.1	3.0	-	-	-	3.0
Mrs. Sudha Navandar	4.6	-	-	-	4.6	-	-	-	-	-
Ms. Bhumika Batra	4.4	-	-	-	4.4	-	-	-	-	-
Mrs.S.A.Panse	4.4	-	-	-	4.4	2.6	-	-	-	2.6
Mr.D.N.Damania	3.5	-	-	-	3.5	5.4	-	-	-	5.4
Mr. A. N. Rathi	3.5	-	-	-	3.5	1.6	-	-	-	1.6
Mrs. Anu Wakhlu	3.5	-	-	-	3.5	-	-	-	-	-
Mr.S.K.Asher	2.1	-	-	-	2.1	3.2	-	-	-	3.2
Mr. S. Padmanabhan	3.0	-	-	-	3.0	5.2	-	-	-	5.2
Mr. N. J. Rathi	-	1.2	-	-	1.2	-	1.4	-	-	1.4
Mrs. R. F. Forbes	0.9	-	-	-	0.9	2.0	-	-	-	2.0
Mr. R.B.Rathi	0.8	-	-	-	0.8	0.4	-	-	-	0.4
Dr. Deepak Parikh	-	-	-	-	-	1.0	-	-	-	1.0
<b>e Sale of Property Plant and Equipment:</b>	<b>42.3</b>	-	-	-	<b>42.3</b>	<b>0.4</b>	-	-	-	<b>0.4</b>
Mr. P. R. Rathi	42.3	-	-	-	42.3	-	-	-	-	-
Mr. A.Vij	-	-	-	-	-	0.4	-	-	-	0.4
<b>f Sale of goods:</b>	-	-	<b>190.3</b>	-	<b>190.3</b>	-	-	-	<b>3.0</b>	<b>3.0</b>
Heubach Toyo Colour Private Limited	-	-	190.3	-	190.3	-	-	-	-	-
Marathwada Chemical Industries Private Limited	-	-	-	-	-	-	-	-	3.0	3.0
<b>g Purchase of Goods / Services / Property Plant and Equipment:</b>	-	-	<b>11.8</b>	<b>169.2</b>	<b>181.0</b>	-	-	-	<b>24.1</b>	<b>24.1</b>
Rabro Speciality Chemicals Pvt Ltd	-	-	-	165.0	165.0	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	11.8	-	11.8	-	-	-	-	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024				
	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total
Forbes Marshall Private Limited	-	-	-	4.2	-	-	-	15.9	15.9
Aquapharm Chemicals Private Limited	-	-	-	-	-	-	6.3	6.3	6.3
Krohne Marshall Private Limited	-	-	-	-	-	-	1.9	1.9	1.9
<b>h Legal and Professional Fees Paid :</b>	-	-	-	<b>450.0</b>	<b>12.3</b>	-	<b>145.5</b>	<b>157.8</b>	<b>157.8</b>
Crawford Bayley & Co.	-	-	-	350.0	-	-	145.0	145.0	145.0
Breakthrough Management Group	-	-	-	65.7	-	-	-	-	-
Pragati Leadership Institute Private Limited	-	-	-	34.3	-	-	-	-	-
Dr. Deepak Parikh	-	-	-	-	12.3	-	-	12.3	12.3
Others	-	-	-	-	-	-	0.5	0.5	0.5
<b>i Rent received :</b>	-	-	<b>0.1</b>	<b>0.8</b>	-	-	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>
Rabro Speciality Chemicals Pvt. Ltd.	-	-	-	0.3	-	-	0.3	0.3	0.3
Balkrishna Rathi Finance Private Limited	-	-	-	0.3	-	-	0.3	0.3	0.3
NJR Finance Private Limited	-	-	-	-	-	-	0.2	0.2	0.2
Others	-	-	0.1	0.2	-	-	0.5	0.5	0.5
<b>j CSR Donation Received :</b>	<b>1.0</b>	-	-	-	-	-	-	-	-
Mr. P.R.Rathi	1.0	-	-	-	-	-	-	-	-
<b>k Reimbursement :</b>	-	-	-	<b>36.3</b>	-	-	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>
Rabro Speciality Chemicals Pvt. Ltd.	-	-	-	25.8	-	-	1.9	1.9	1.9
Shri Jagannath Rathi Charity Trust	-	-	-	10.5	-	-	7.9	7.9	7.9
<b>l Subscription paid :</b>	-	-	-	<b>9.6</b>	-	-	-	-	-
Pigment Manufacturers Association	-	-	-	9.6	-	-	-	-	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended 31 <sup>st</sup> March 2025				For the year ended 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total
<b>m Car Deposit Received :</b>	<b>25.2</b>	-	-	-	<b>25.2</b>	<b>16.0</b>	-	-	-	<b>16.0</b>
Mr. P.R. Rathi	20.9	-	-	-	20.9	-	-	-	-	-
Mr.N.J. Natu	4.3	-	-	-	4.3	-	-	-	-	-
Mr. A.Vij	-	-	-	-	-	5.9	-	-	-	5.9
Mr. N.J. Rathi	-	-	-	-	-	4.2	-	-	-	4.2
Mr. Mandar Velankar	-	-	-	-	-	5.9	-	-	-	5.9
<b>n Car Deposit Repayment :</b>	<b>49.0</b>	-	-	-	<b>49.0</b>	-	-	-	-	-
Mr. P.R. Rathi	49.0	-	-	-	49.0	-	-	-	-	-
<b>o Issuance of Share Warrants :</b>	<b>2,498.4</b>	-	-	-	<b>2,498.4</b>	-	-	-	-	-
Mr. R.B. Rathi	2,498.4	-	-	-	2,498.4	-	-	-	-	-
<b>p Finance costs :</b>	-	-	<b>11.8</b>	-	-	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	11.8	-	-	-	-	-	-	-
<b>q Business consignment fees :</b>	-	-	<b>4.2</b>	-	<b>4.2</b>	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	4.2	-	4.2	-	-	-	-	-
<b>r Trademark fees Received :</b>	-	-	<b>0.3</b>	-	<b>0.3</b>	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	0.3	-	0.3	-	-	-	-	-
<b>s Sales Commission Received:</b>	-	-	<b>4.3</b>	-	<b>4.3</b>	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	4.3	-	4.3	-	-	-	-	-

\* Pertains to short-term employee benefits other than gratuity and leave encashment since the same is computed for all employees of the Group as a whole.

- 1 Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured with a short term duration unless otherwise stated and interest free except for loans and settlement occurs in cash. For the year ended 31<sup>st</sup> March, 2025, the Group has not recorded any impairment of receivables relating to amount owed by related parties other than those disclosed separately above (31<sup>st</sup> March, 2024 : ₹ Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### C Balances due from / to related parties :

Nature of Transactions	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Management Personnel	Joint Venture	Others	Total	Key Management Personnel	Close Member of Management Personnel	Joint Venture	Others	Total
<b>a Trade Receivables</b>	-	-	945.7	-	945.7	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	903.4	-	903.4	-	-	-	-	-
Hangzhou Baihe Heubach Pigments Co. Ltd.	-	-	42.3	-	42.3	-	-	-	-	-
<b>b Trade Payables</b>	-	-	17.1	-	17.1	1.7	-	-	13.7	15.4
Heubach Toyo Colour Private Limited	-	-	17.1	-	17.1	-	-	-	-	-
Rabro Speciality Chemicals Private Limited	-	-	-	-	-	-	-	-	11.6	11.6
Others	-	-	-	-	-	1.7	-	-	2.1	3.8
<b>c Other Receivables</b>	-	-	1,136.0	299.9	1,435.9	-	-	-	98.5	98.5
Heubach Toyo Colour Private Limited	-	-	1,136.0	-	1,136.0	-	-	-	-	-
Sudarshan Chemical Industries Limited	-	-	-	299.9	299.9	-	-	-	97.9	97.9
Employee Group Gratuity Scheme	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	0.6	0.6
<b>d Other Payables</b>	-	-	55.0	1.6	56.6	-	-	-	0.1	0.1
Heubach Toyo Colour Private Limited	-	-	55.0	-	55.0	-	-	-	-	-
Pragati Leadership Institute Private Limited	-	-	-	1.6	1.6	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	0.1	0.1
<b>e Commission Payable</b>	93.0	-	-	-	93.0	99.3	2.0	-	-	101.3
Mrs. S. A. Panse	17.3	-	-	-	17.3	15.0	-	-	-	15.0
Mr. P.R.Rathi	15.6	-	-	-	15.6	11.7	-	-	-	11.7
Mr. N. Raisinghani	15.6	-	-	-	15.6	9.8	-	-	-	9.8
Mr. A. N. Rathi	13.2	-	-	-	13.2	9.8	-	-	-	9.8
Mrs. Sudha Navandar	12.2	-	-	-	12.2	-	-	-	-	-
Mrs. Anu Wakhlu	10.2	-	-	-	10.2	-	-	-	-	-
Ms. Bhumiika Batra	8.9	-	-	-	8.9	-	-	-	-	-
Mr. D. N. Damania	-	-	-	-	-	14.4	-	-	-	14.4
Mr. S. Padmanabhan	-	-	-	-	-	11.7	-	-	-	11.7

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Nature of Transactions	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024					
	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total	Key Management Personnel	Close Member of Key Management Personnel	Joint Venture	Others	Total
Mr. N. J. Rathi	-	-	-	-	-	-	2.0	-	-	2.0
Mrs. R. F. Forbes	-	-	-	-	-	9.8	-	-	-	9.8
Mr. S. K. Asher	-	-	-	-	-	9.8	-	-	-	9.8
Dr. Deepak Parikh	-	-	-	-	-	7.3	-	-	-	7.3
<b>f Salary / Pension Payable *</b>	<b>2.6</b>	<b>4.8</b>	-	-	<b>7.4</b>	<b>227.5</b>	<b>4.4</b>	-	-	<b>231.9</b>
Mr. N. J. Rathi	-	2.7	-	-	2.7	-	2.5	-	-	2.5
Mr. P.R.Rathi	2.6	-	-	-	2.6	4.7	-	-	-	4.7
Mrs. K. B. Rathi	-	2.1	-	-	2.1	-	1.9	-	-	1.9
Mr. R.B.Rathi	-	-	-	-	-	200.0	-	-	-	200.0
Mr. V. R. Bhatia	-	-	-	-	-	14.1	-	-	-	14.1
Mr. A.Vij	-	-	-	-	-	1.0	-	-	-	1.0
Mr. Nilkanth J. Natu	-	-	-	-	-	3.1	-	-	-	3.1
Mr. Mandar Velankar	-	-	-	-	-	4.6	-	-	-	4.6
<b>g Car deposit payable</b>	<b>55.9</b>	<b>4.2</b>	-	-	<b>60.1</b>	<b>79.7</b>	<b>4.2</b>	-	-	<b>83.9</b>
Mr. P.R. Rathi	20.9	-	-	-	20.9	49.0	-	-	-	49.0
Mr. R.B. Rathi	18.9	-	-	-	18.9	18.9	-	-	-	18.9
Mr. M.M. Velankar	5.9	-	-	-	5.9	5.9	-	-	-	5.9
Mr. A.Vij	5.9	-	-	-	5.9	5.9	-	-	-	5.9
Mr. Nilkanth Natu	4.3	-	-	-	4.3	-	-	-	-	-
Mr. N.J. Rathi	-	4.2	-	-	4.2	-	4.2	-	-	4.2
<b>h Borrowings</b>	-	-	<b>1,899.5</b>	-	<b>1,899.5</b>	-	-	-	-	-
Heubach Toyo Colour Private Limited	-	-	1,899.5	-	1,899.5	-	-	-	-	-
<b>i Advance paid to supplier</b>	-	-	-	<b>202.4</b>	<b>202.4</b>	-	-	-	-	-
Crawford Bayley & Co.	-	-	-	200.0	200.0	-	-	-	-	-
Others	-	-	-	2.4	2.4	-	-	-	-	-

\*Does not include gratuity and leave encashment since the same is considered for all employees of the Group as a whole.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note: Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. All transactions were made on normal commercial terms and conditions and are at market rates.

### 43 RISK MANAGEMENT AND CAPITAL MANAGEMENT

#### A Financial instruments risk management objectives and policies

The Group's principal financial liabilities other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include investments, trade and other receivables, deposits, loans and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by an Enterprise Risk Management (ERM) team that advises on financial risks and the appropriate financial risk governance framework for the Group. The ERM team provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The ERM process seeks to provide greater confidence to the decision maker and thus enhance achievement of objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, investments, other receivable, payables and derivative financial instruments. The sensitivity analyses in the following sections relate to the position as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

Potential impact of risk	Management policy	Sensitivity to risk
<b>i) Interest rate risk</b>		
The Group is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.	In order to manage its interest rate risk arising from variable interest rate borrowings, the Group uses Interest rate swaps to hedge its exposure to future market interest rates whenever appropriate. The hedging activity is undertaken in accordance with the framework set by the Risk Management Committee and supported by the Treasury department.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 25 bps change in interest rates. A 25 bps reduction in interest rates would have led to approximately an additional ₹ 521.2 lakhs and (2023-24: ₹ 110.2 lakhs) gain in Statement of Profit and Loss. A 25 bps increase in interest rates would have led to an equal but opposite effect.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Potential impact of risk	Management policy	Sensitivity to risk
<b>ii) Foreign exchange risk</b>		
The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk also includes highly probable foreign currency cash flows.	The Group has exposure arising out of export, import, loans and other transactions. The Group hedges its foreign exchange risk using foreign exchange forward contracts and currency options after considering the natural hedge. The same is within the guidelines laid down by Group's Risk Management policy.	As an estimation of the approximate impact of the foreign exchange rate risk, with respect to financial statements, the Group has calculated the impact on the Statement of Profit and Loss. The following tables demonstrate the sensitivity to a possible change in EUR and USD exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. For derivative and non-derivative financial instruments, a 2% increase in the spot price as on the reporting date would have led to an increase in additional loss of ₹ 1,200.9 Lakhs. (2023-24: loss of ₹ 942.3 Lakhs). A 2% decrease would have led to an increase in additional gain of ₹ 1,200.9 Lakhs. (2023-24: gain of ₹ 942.3 Lakhs).

The movement in Effective portion of cash flow hedge under other equity for derivatives designated as Cash Flow Hedges is as follows:

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Balance at beginning of the year</b>	<b>(2,510.9)</b>	<b>(2,530.9)</b>
Changes in the fair value of effective portion of derivatives - gain / (loss)	(435.9)	(1,470.5)
Net gain / (loss) reclassified to Statement of Profit and Loss on occurrence of hedged forecasted transactions	1,676.1	1,490.5
<b>Balance at end of the year</b>	<b>(1,270.7)</b>	<b>(2,510.9)</b>
<b>Tax impact</b>	<b>138.1</b>	<b>(28.0)</b>

The Group, basis their assessment, believes that the probability of the occurrence of their highly probable forecasted transactions is not significantly impacted by the current geopolitical scenario.

The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Disclosure

How the risk arises	How group manages risks
The Group has a significant portion of its revenue in foreign currency (other than INR). This exposure in foreign exchange risk affects the profitability and financial position of the group due to variation in the foreign exchange rates.	The risk management strategy is as follows: - To use the foreign exchange forward contracts to hedge the foreign currency risk associated with highly probable forecasted sales. - To use the non-derivative contracts (cash flow legs of foreign currency borrowing) to hedge the foreign currency risk associated with highly probable forecasted sales. - To use the cash flow legs of foreign currency borrowing combined with the cash flow legs of Cross Currency Interest Rate Swap to hedge the foreign currency risk associated with highly probable forecasted sales.
The Group has certain amount of its purchases in foreign currency (other than INR) which results in exposure to fluctuation of exchange rate affecting the profitability and financial position of the Group.	The risk management strategy is to use the foreign exchange forward contracts to hedge the foreign currency risk associated with highly probable forecasted purchases.
The Group has taken loans denominated in EUR which have floating interest rate. This results in exposing the Group to fluctuations in cash flow due to floating interest rate risk.	The risk management strategy is to use the Interest Rate Swap (IRS) to hedge the interest rate risk associated with floating interest rate cash flow.

The Group uses derivatives (forward contract, interest rate swap) or non-derivative or a combination of both to hedge its exposure of forex / interest rate related risk. These instruments are either used to lock in a lower purchase price or / and a higher sales prices / fixed interest rate. The gain or loss on hedging instrument are aligned and effectively an offset compared with hedged item. The economic relationship between hedged item and hedged instrument is established to ensure that both are moving in the opposite direction because of the same hedged risk.

The credit risk associated with the hedge relationship is negligible due to the highly rated counterparties

The Group's hedging policy only allows for effective hedge relationships. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If the critical terms of the hedged item do not match exactly with the critical terms of the hedging instrument, the company uses the quantitative analysis to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds, on an absolute basis, the change in value of the hedged item that attributes to the hedged risk. This may arise if there is any change in the timing of the underlying hedged item or if the critical terms of the hedging instrument and the hedged item do not match exactly

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### (b) Credit risk

Potential impact of risk	Management policy	Sensitivity to risk
<p><b>A) Trade Receivables:</b> Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities.</p>	<p>Customer credit risk is managed subject to the Group's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. An impairment analysis based on Expected Credit Loss (ECL) model is performed at each reporting date.</p>	<p>The Group considers the probability of default upon initial recognition and whether there have been significant increase in the credit risk on ongoing basis throughout each reporting period, to assess increase in the credit risk, the Group compares the rate of default on the date of reporting and initial recognition. The maximum amount to which the Group is exposed is ₹ 1,22,495.2 Lakhs and ₹ 58,531.9 Lakhs for 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 respectively. Against these receivables, a provision for expected loss allowance is recognised.</p>
<p><b>B) Deposits and financial instruments (other than trade receivables):</b> Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities.</p>	<p>The group maintains exposure in cash and cash equivalents, term deposits with banks and mutual fund schemes. Investments of surplus funds are made with assigned credit limits with approved counterparties who meet requirements of ratings, financial strength, credit spreads, etc. Counterparty credit limits are set to minimize concentration risks and are reviewed periodically by the Board.</p>	<p>Long term credit ratings of these banking institutions are considered to be of investment grade. No impairment has been recorded in respect of fixed deposits that are with recognised commercial banks and not past due.</p>

### Reconciliation of provision for expected credit loss

<b>Balance as at 1st April , 2023</b>	<b>1,509.3</b>
Provision (reversed) / recognised for expected credit loss	<b>(142.9)</b>
<b>Balance as at 31<sup>st</sup> March , 2024</b>	<b>1,366.4</b>
Addition on account of business combination (refer note 44)	<b>1,530.4</b>
Provision (reversed) / recognised for expected credit loss	<b>895.0</b>
<b>Balance as at 31<sup>st</sup> March , 2025</b>	<b>3,791.8</b>

In addition to the historical pattern of credit loss, the Group has considered the likelihood of increased credit risk considering emerging situations due to the current geopolitical scenarios. This assessment is based on the likelihood of the recoveries from the customers in the present situation. The Group closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case. Basis this assessment, the allowance for doubtful trade receivables is considered adequate.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

In addition, financial instruments that are subject to concentration of credit risk include loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk. Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

### (c) Liquidity risk

Potential impact of risk	Management policy	Sensitivity to risk
<p>Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligation on time or at a reasonable price or there could be excessive concentrations of risks. The Group's treasury department is responsible for liquidity, funding as well as settlement management. Excessive concentrations of risks arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.</p>	<p>The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used to manage risk concentrations at both the relationship and industry levels.</p>	<p>The Group's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low. The Group assessed the concentration of risk and concluded it to be low. The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date:</p>

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Note	6 months or less	6 - 12 months	1 year to 5 years	more than 5 years	Total
<b>As at 31<sup>st</sup> March, 2025</b>						
Borrowings (including accrued interest)	19	43,662.1	1,615.4	1,63,188.9	-	<b>2,08,466.4</b>
Committed Interest	19	4,567.7	4,126.3	23,547.3	297.1	<b>32,538.4</b>
Other financial liabilities	21	63,452.1	-	411.8	-	<b>63,863.9</b>
Lease liabilities	5	423.1	4,083.0	21,542.8	3,236.8	<b>29,285.7</b>
Trade payables	20	1,39,845.0	-	-	-	<b>1,39,845.0</b>
Derivative instruments	22	353.8	-	-	-	<b>353.8</b>
	<b>Total</b>	<b>2,52,303.8</b>	<b>9,824.7</b>	<b>2,08,690.8</b>	<b>3,533.9</b>	<b>4,74,353.2</b>
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings (including accrued interest)	19	16,657.6	8,103.9	19,331.5	-	<b>44,093.0</b>
Committed Interest	19	766.0	661.0	528.0	-	<b>1,955.0</b>
Other financial liabilities	21	4,262.4	-	161.3	-	<b>4,423.7</b>
Lease liabilities	5	172.8	172.8	2,267.9	-	<b>2,613.5</b>
Trade payables	20	48,250.8	2,118.0	835.8	-	<b>51,204.6</b>
Derivative instruments	22	82.0	-	-	-	<b>82.0</b>
	<b>Total</b>	<b>70,191.6</b>	<b>11,055.7</b>	<b>23,124.5</b>	<b>-</b>	<b>1,04,371.8</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### B Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is debt divided by total equity. Net debt are non current borrowings and current borrowings as reduced by cash and cash equivalent.

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total Debt	2,08,466.4	44,093.0
Less: Cash and Cash equivalents	(1,10,432.5)	(4,723.7)
Net debt	98,033.9	39,369.3
Total Equity (Share Capital + Reserves including capital reserves)	3,44,005.0	1,14,903.7
Net debt - Equity ratio	<b>0.28</b>	<b>0.34</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March 2024.

### 44 Business Combination

#### I) Acquisition made during the year ended 31<sup>st</sup> March, 2025

Sudarshan Europe B.V. ("SEBV"), a wholly owned subsidiary of the Holding Company had entered into a definitive agreement on 11<sup>th</sup> October, 2024 for the acquisition of global pigment business operations of the Heubach Group through a combination of an asset and share deal, subject to completion of customary conditions and receipt of requisite regulatory approvals. The said acquisition was completed on 3<sup>rd</sup> March, 2025 ("Closing Date") by SEBV for a preliminary purchase consideration of €151.9 million (approx. ₹ 1,38,990.0 lakhs). The acquisition comprises of the acquisition of (collectively hereinafter referred to as "Heubach Group"):

(a) Assets and business operations of (i) Heubach Colorants Germany GmbH, (ii) Heubach GmbH (iii) Dr. Hans Heubach GmbH, and (iv) Heubach Group GmbH and participations held by Heubach Holding Switzerland AG, in downstream Group Companies in various countries.

(b) 100% shareholding of Heubach Holding S.a.r.l., a Luxemburg based Heubach Group Company having investments in shareholding of companies based in India and USA.

Pursuant to the acquisition related agreements, the acquisition of assets, business operations and shares were interdependent and were executed together to acquire the entire business operations of the Heubach Group. Accordingly, the acquisition of the Heubach Group has been considered and accounted for as a single business combination transaction under Ind AS 103 – 'Business combinations'.

This acquisition is a strategic move aimed at consolidating market expertise and expanding global reach in the pigment industry by merging Sudarshan's operations and industry expertise with Heubach's technological capabilities and process.

The Heubach Group manufactures and sells a wide range of organic pigments, inorganic pigments and pigment preparations. Pursuant to filing of insolvency, the insolvency administrator had initiated the sale process for Heubach Holding Germany GmbH, Heubach Colorants Germany GmbH, Heubach GmbH and Dr. Hans Heubach GmbH ("the German subsidiaries of Heubach Group").

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The said transaction has been accounted using the acquisition method in accordance with Ind AS 103 - 'Business Combinations'. Accordingly, all the assets and liabilities have been measured and recognised provisionally at their fair values as on the acquisition date.

The acquisition was financed through a combination of funds raised by the Holding Company through an equity issue via QIP (refer note 16 (h)) and borrowings availed by SEBV.

The Group, in accordance with the provisions set forth in Part C of the IFRS Standards and the guidance issued by the Institute of Chartered Accountants of India (ICAI), has elected to designate 28<sup>th</sup> February, 2025, as the date of acquisition for convenience purpose. This designation is made in consideration of the absence of any material changes to the recorded amounts between 1<sup>st</sup> March, 2025, and 3<sup>rd</sup> March, 2025.

### A Provisional consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred:

Purchase consideration	Amount as on 3 <sup>rd</sup> March, 2025
Cash paid	1,38,990.0
<b>Fair value of purchase consideration</b>	<b>1,38,990.0</b>

The Group is in the process of finalization of the purchase consideration with the insolvency administrator of the German subsidiaries of Heubach Group on account of adjustments related to working capital items which are currently under finalization in line with the acquisition related agreements.

### B Acquisition - related costs

i. Acquisition-related costs of ₹ 10,362.5 Lakhs that were not directly attributable to the issue of shares are included in "Exceptional Items" in the consolidated statement of profit and loss (refer note 49) and in operating cashflows in the consolidated statement of cash flow.

ii. Issue costs amounting to ₹ 1,213.7 lakhs incurred for QIP which has been partially used to finance the acquisition (and remaining for initial working capital requirements) have been netted against the issue proceeds. Refer note 16 (h)

### C Accounting policy choice for fair valuation of Non-Controlling Interest (NCI)

The Group has elected to measure the non-controlling interests in one of the components of the acquired Heubach Group (Heubach Colorants India Limited) at their acquisition date fair value using the Level 1 inputs. Considering Heubach Colorants India Limited is a listed entity in India, the Group has used market price method with 10 days volume weighted average market price as an input for fair valuation of non-controlling interests.

### D Identifiable assets acquired and liabilities assumed as on the date of acquisition:

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

Description	Provisional amounts as at 3 <sup>rd</sup> March, 2025
<b>Identifiable assets acquired</b>	
Property, plant and equipment	1,23,881.6
Capital work-in-progress	9,381.5
Other intangible assets - acquired	8,698.7
Other intangible assets - identified in business combination	2,355.0
Right-of-use assets	58,058.6
Investments accounted for using equity method	20,734.8
Other investments	10,205.9
Trade receivables	52,541.6
Loans	370.6

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Description	Provisional amounts as at 3 <sup>rd</sup> March, 2025
Other financial assets	5,564.1
Deferred tax assets (net)	3,867.4
Inventories	1,88,523.3
Cash and cash equivalents	49,229.6
Bank balance other than above	2,600.8
Income tax assets (net)	2,515.8
Other assets	34,950.3
<b>Total identifiable assets acquired (a)</b>	<b>5,73,479.6</b>
<b>Liabilities assumed</b>	
Borrowings	2,628.9
Lease liabilities	25,576.7
Trade payables	67,040.1
Provisions	35,266.0
Contingent liabilities	31,759.9
Deferred tax liabilities (net) - on fair value adjustments	22,631.3
Deferred tax liabilities (net) - acquired	1,636.0
Other financial liabilities	46,104.1
Other liabilities	9,365.0
Current tax liabilities (net)	8,465.2
<b>Total liabilities assumed (b)</b>	<b>2,50,473.2</b>
<b>Fair value of net identifiable assets acquired (c) = (a) - (b)</b>	<b>3,23,006.4</b>

The above fair values of assets acquired and liabilities assumed are preliminary and are based on facts and circumstances that existed at the date of acquisition. These fair values of the assets acquired and liabilities assumed were determined using the income, market and cost approaches. In many cases, the determination of the fair values required estimates about discount rates, future expected cash flows and other future events that are judgmental and subject to change. The fair value measurements are primarily based on significant inputs that are not observable in the market and thus represent a Level 3 measurement of the fair value hierarchy as defined in Ind AS 113 - Fair Value Measurements. Intangible assets consisting of technical know how and customer relationships have been valued using the relief from royalty ("RFR") and the multi-period excess earnings method ("MPEEM") method respectively, both of which are forms of the income approach. A cost or market approach has been applied, as appropriate, for property, plant and equipment, including land, and inventory. Investment in joint venture have been valued using income approach.

The Group believes that the information provides a reasonable basis for estimating the fair values of the acquired assets and assumed liabilities, but considering the size, complexity, and timing of the acquisition, the potential for measurement period adjustments exists based on the Group's continued review of the matters related to the acquisition. The Group is in the process of analysing the estimated values of all assets acquired and liabilities assumed; therefore, the allocation of the purchase price is preliminary and is subject to measurement period adjustments. The Group expects to complete the purchase price allocation no later than one year from the date of acquisition.

### E Gain on bargain purchase / capital reserve on acquisition

Gain on bargain purchase arising on acquisition has been determined as follows:

Calculation of Capital reserve	Provisional amounts as at 3 <sup>rd</sup> March, 2025
Fair value of purchase consideration transferred (i)	1,38,990.0
Non-Controlling Interest in the acquired entity at acquisition date fair value (ii)*	59,631.3
Fair value of net identifiable assets acquired (iii)	3,23,006.4
<b>Provisional value of capital reserve [(iii) - (i) - (ii) ]*</b>	<b>1,24,385.1</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

\*Bargain purchase gain amounting to ₹ 1,24,385.1 Lakhs has been recognised in other comprehensive income in accordance with paragraph 34 of Ind AS 103;

\*Gross of foreign currency exchange differences

The acquisition has resulted in bargain purchase gain on account of distress sale of the pigment operations of the Heubach Group following the insolvency of the German subsidiaries of the Heubach Group.

From the date of acquisition, the acquired Heubach Group has contributed ₹ 52,500.0 lakhs of revenue and ₹ 600.0 lakhs to the profit before tax of the Group. It is presently impractical to provide the value of revenue from operations for full financial year due to paucity of complete information for the period prior to this acquisition.

### F Fair value measurement for significant items

#### Technological Know-how

Technological know-how are valued using the Relief from royalty ('RFR') method under Income approach. The fundamental principle underlying the RFR is to discount the hypothetical savings in royalty payable for using the trademark. The significant assumptions used include the estimated annual net cash flows (including appropriate revenue attributable to the asset, applicable tax rate), royalty rate, the discount rate, and the tax amortisation benefit, among other factors.

#### Property, plant and equipment

Property, plant and equipment, including land, are valued using the cost or market approach, as appropriate. For assets valued using the cost approach, the Depreciated Replacement Cost method has been used. The cost approach estimates value using the economic principle that a buyer will pay no more for an asset than the cost to obtain a new asset of equal utility. However, the asset being valued may be subject to age and obsolescence. The market approach, which estimates value considering prevailing market/ circular rates, has been specifically used to value land.

#### Inventory

Inventory has been valued using the replacement cost or market approach, as appropriate. The replacement cost approach, which estimates value by determining the current cost of replacing an asset with another of equivalent economic utility, has been used to determine the estimated replacement cost of raw materials and packing materials. The market approach has been used to determine the estimated selling price less costs to completion and sale for work in progress and finished goods.

#### Right-of-use assets and lease liabilities

The Group has measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the lease relative to market terms.

#### Contingent Liabilities

A provision of ₹ 31,760.0 lakhs has been recognised on account of fair valuation of contingent liabilities of the acquired Heubach Group in accordance with Ind AS 103.

A provision of ₹ 26,359.7 lakhs was recognised towards the potential decommissioning liability taking into consideration contractual agreement, local regulations, and estimated costs, etc. The potential undiscounted future outflow for this decommissioning is estimated to be ₹38,838.6 lakhs which has been discounted over an estimated period of 8 years. As of 31<sup>st</sup> March, 2025, there has been no change in the liability amount recognised as at acquisition date considering the probability and timing of settling the decommissioning liability remain unchanged, apart from an impact of ₹ 13.9 lakhs which is on account of unwinding of provision due to the aforesaid discounting.

Remaining provision of ₹ 5,400.3 lakhs includes provision on account of fair valuation of other contingent liabilities pertaining to claims and potential liabilities related to ongoing taxation matters and environmental liabilities of the acquired Heubach Group. These are expected to settle post conclusion of outcome of the claims / litigations.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### G Purchase consideration - cash flow

Particulars	As at 3 <sup>rd</sup> March, 2025
Outflow of cash required to acquire subsidiaries, net of cash acquired	
Cash consideration	1,38,990.0
Less: Balances acquired	
Cash	49,229.6
<b>Net outflow of cash - investing activities</b>	<b>89,760.4</b>

### H Balance receivable / payable with administrator

The Heubach Group has been acquired from the insolvency administrator who has been duly appointed following the insolvency of the German subsidiaries of the Heubach Group. In accordance with the acquisition-related agreements, the acquirer is required to settle accounts receivable and payable arising on account of transactions as part of routine operations conducted between 1<sup>st</sup> June, 2024, and the acquisition date, directly with the administrator in cash.

### II) There were no acquisitions during the year ended 31<sup>st</sup> March, 2024.

### 45 Non-controlling interest

The Group holds 54.36% Interest in Heubach colorants India Limited a company involved in the manufacturing and distribution of pigments. The group has controlling rights over the decision making process As a result the group holds control in Heubach colorants India limited and the interest in Heubach colorants India Limited is accounted for using the acquisition method in the consolidated financial statements. The summarised financial information of subsidiary, based on their audited financial statements and reconciliation with the carrying amount of investment in the consolidated financial statements are set out below:

#### (a) Proportion of equity interest held by non-controlling interest

Name of the Company	Principle place of business / Country of incorporation	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2025
Heubach Colorants India Limited*	India	45.64%	59,824.9

\* Refer note 44 for interest in partly owned subsidiary acquired as part of business combination.

#### (b) Summarised Consolidated financial information of Heubach Colorants India Limited

Particulars	As at 31 <sup>st</sup> March, 2025
<b>1) Non-controlling interest in Heubach Colorants India Limited</b>	
Total comprehensive income allocated to non-controlling interest	420.8
Accumulated balances of non-controlling interest	59,824.9
<b>2) Summarised Balance Sheet of Heubach Colorants India Limited</b>	
Non-current assets	20,753.4
Current assets	55,058.6
	<b>75,812.0</b>
Non-current liabilities	3,815.7
Current liabilities	19,662.1
	<b>23,477.8</b>
Total Equity	<b>52,334.2</b>
Equity attributable to owners of the parent	28,448.9
Equity attributable to Non-controlling interest	23,885.3
<b>3) Dividends paid to non-controlling interest of the Group in Heubach Colorants India Limited</b>	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025
<b>4) Summarised Statement of Profit and Loss of Heubach Colorants India Limited (from 4<sup>th</sup> March, 2025 to 31<sup>st</sup> March, 2025)</b>	
<b>Income</b>	<b>7,478.1</b>
<b>Expenses</b>	
Cost of materials consumed	3,723.9
Purchase of stock-in-trade	1,061.0
Changes in inventories of finished goods, work-in progress and stock-in-trade	(847.8)
Employee benefits expense	639.6
Finance costs	22.5
Depreciation and amortisation expense	169.3
Other expenses	1,464.9
<b>Total Expense</b>	<b>6,233.4</b>
<b>Profit before exceptional items</b>	<b>1,244.7</b>
Exceptional items	-
Profit before tax	1,244.7
<b>Tax expense</b>	<b>277.9</b>
<b>Profit for the year</b>	<b>966.8</b>
Other Comprehensive Income	(44.8)
<b>Total comprehensive income</b>	<b>922.0</b>
Profit attributable to owners of the company	525.5
Profit attributable to non-controlling interest	441.2
Total comprehensive income attributable to owners of the company	501.2
Total comprehensive income attributable to non-controlling interest	420.8
<b>5) Summarised Cash Flow Statement of Heubach Colorants India Limited (from 4<sup>th</sup> March, 2025 to 31<sup>st</sup> March, 2025)</b>	
Cash flow from operating activities	<b>2,607.9</b>
Cash used in investing activities	<b>(140.1)</b>
Cash used in financing activities	<b>(40.0)</b>
<b>Net increase in cash and cash equivalent</b>	<b>2,427.8</b>

### 46 SHARE BASED PAYMENTS

During the financial year 2018-19, the Board of Directors of the Holding Company and its Shareholders' approved an Employee Stock Option Plan (ESOP) and reserved 13,84,545 common shares for issuance thereunder. During the year ended 31<sup>st</sup> March, 2021, options totalling to 394,220 ordinary shares were granted to certain identified eligible employees of the Holding Company. Detailed description of share based payment arrangements is as below:

a	Date of shareholders' approval	9 <sup>th</sup> August, 2018
b	Total number of options approved under ESOP	3,94,220
c	Vesting requirements	Out of the total options granted, 40% options vest after 4th year, 20% options vest after 5th year, 20% options vest after 6th year and 20% options vest after 7th year from the date of respective grant, subject to time-based and performance-based conditions of the ESOP scheme.
d	Exercise price or pricing formula	₹ 349.4
e	Maximum term of options granted	5 years from each vesting date
f	Date of grant	6 <sup>th</sup> April, 2020
g	Settlement mode	Equity share
h	Source of shares (primary, secondary or combination)	Primary

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

The weighted average fair value of the share option granted is ₹ 169.2 /-. Options were priced using a Black Scholes Merton Formula pricing model. Where relevant, the expected life used in this model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavior considerations. Expected volatility is based on historical sale price volatility of comparable companies in the industry over the expected life of 6 – 10 years.

### Inputs into the model were as follows:

a	Grant date share price	₹ 349.4
b	Exercise Price	₹ 349.4
c	Expected Volatility	45.64% – 47.51%
d	Expected life of share options	6.5 to 9.5 years
e	Dividend yield	1.90% - 2.20%
f	Risk free interest rate	6.45% to 6.68%

### Reconciliation of outstanding share options is as follows:

	Number of options	Weighted average exercise price
Outstanding as at 1 <sup>st</sup> April, 2023	3,32,650.0	349.4
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Outstanding as at 31 <sup>st</sup> March, 2024	3,32,650.0	349.4
Exercisable as at 31 <sup>st</sup> March, 2024	-	-
Outstanding as at 1 <sup>st</sup> April, 2024	3,32,650.0	349.4
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Lapsed during the year	(1,91,596.0)	349.4
Outstanding as at 31 <sup>st</sup> March, 2025	1,41,054.0	349.4
Exercisable as at 31 <sup>st</sup> March, 2025	-	-

There are no options vested during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

There is no realisation of money by exercise of option during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

The options outstanding at 31<sup>st</sup> March, 2025 have an exercise price of ₹ 349.4 (31<sup>st</sup> March, 2024: ₹ 349.4) and a weighted average remaining contractual life of 5.2 years (31<sup>st</sup> March, 2024: 6.2 years)

Weighted average share price at the date of the exercise of share options exercised in 2024-25 and 2023-24 is not disclosed as no shares were exercised during the current and previous financial year.

Weighted average fair value of share options granted during the year is not disclosed as no share options were granted during the current and previous financial year.

### Expense recognised in Statement of Profit and Loss

The Holding Company has followed the fair value method to account for the grant of stock options, profit and loss impact for the year ended 31<sup>st</sup> March, 2025 is ₹ 0.0 Lakhs (31<sup>st</sup> March 2024: ₹ 126.1 Lakhs)

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 47 Operating Segments

#### A Basis of Segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. The Group has two reportable segments as described below, which are the Group's strategic business units.

**Pigment :** The Pigments segment produces and sells a broad spectrum of organic, inorganic, effect pigments and dispersions primarily for paints, plastics, inks and cosmetics industries.

**Others:** Others comprises of project engineering and manufacturing business of grinding solutions, clean air solutions, power handling solutions etc.

#### B Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's Chief Operating Decision Maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the performance of certain segments relative to other entities that operate within these industries.

Particulars	Year ended 31 <sup>st</sup> March, 2025			Year ended 31 <sup>st</sup> March, 2024		
	Pigment	Others	Total	Pigment	Others	Total
<b>Segment Revenue</b>						
External Revenue	3,11,925.5	22,750.9	3,34,676.4	2,22,323.3	31,618.2	2,53,941.5
Inter-segment Revenue	-	118.9	118.9	-	63.8	63.8
<b>Total segment revenue</b>	<b>3,11,925.5</b>	<b>22,632.0</b>	<b>3,34,557.5</b>	<b>2,22,323.3</b>	<b>31,554.4</b>	<b>2,53,877.7</b>
<b>Segment Results</b>						
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	39,703.3	(1,601.1)	38,102.2	30,049.1	1,592.1	31,641.2
Less : Depreciation and amortisation	16,010.1	611.8	16,621.9	13,692.0	424.7	14,116.7
Less : Finance costs	4,182.4	646.2	4,828.6	3,157.7	532.5	3,690.2
Add : Interest income	407.1	9.6	416.7	376.5	29.1	405.6
Add : Other income	2,873.0	51.6	2,924.6	1,291.7	11.3	1,303.0
Add : Share of profit of joint ventures, net of tax	286.6	-	286.6	-	-	-
<b>Total Profit before exceptional items and tax</b>	<b>23,077.5</b>	<b>(2,797.9)</b>	<b>20,279.6</b>	<b>14,867.6</b>	<b>675.3</b>	<b>15,542.9</b>
<b>Add : Exceptional items (expense) / income</b>	(10,362.5)	-	(10,362.5)	31,510.1	-	31,510.1
<b>Profit before tax</b>	<b>12,715.0</b>	<b>(2,797.9)</b>	<b>9,917.1</b>	<b>46,377.7</b>	<b>675.3</b>	<b>47,053.0</b>
<b>Segment Assets and Segment Liabilities</b>						
Segment Assets	9,55,317.1	17,754.0	9,73,071.1	2,15,849.4	19,653.8	2,35,503.2
Segment Liabilities	5,53,189.6	16,051.6	5,69,241.2	1,04,821.5	15,778.0	1,20,599.5
<b>Segment Assets (-) Segment Liabilities</b>	<b>4,02,127.5</b>	<b>1,702.4</b>	<b>4,03,829.9</b>	<b>1,11,027.9</b>	<b>3,875.8</b>	<b>1,14,903.7</b>
<b>Other Details</b>						
Capital Expenditure	9,246.6	210.0	9,456.6	7,405.8	441.4	7,847.2
Depreciation and Amortisation	16,010.1	611.8	16,621.9	13,692.0	424.7	14,116.7
<b>Investment in Joint ventures (refer note 6)</b>	<b>21,021.5</b>	<b>-</b>	<b>21,021.5</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>21,021.5</b>	<b>-</b>	<b>21,021.5</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### C Geographical Information

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Segment Revenue by location of customers</b>		
Within India	1,49,901.7	1,47,132.6
Outside India	1,84,655.8	1,06,745.1
	<b>3,34,557.5</b>	<b>2,53,877.7</b>
None of the other countries contribute materially to the revenue of the Group		
<b>Non-current operating assets by location of assets*</b>		
Within India	1,52,382.0	1,11,358.3
Outside India**	1,88,734.6	1,309.5
	<b>3,41,116.6</b>	<b>1,12,667.8</b>

\*\* None of the other countries contribute materially to the non-current operating assets of the group

\* Non-current operating assets means non-current assets other than financial instruments, investments accounted for using equity method and deferred tax assets of the Group.

### D There are no transactions with single external customer which amounts to 10% or more of the Group's revenue.

#### 48 HEDGING ACTIVITIES

##### Cash flow hedges

The Group enters into derivative instruments which comprise of interest rate swaps, cross currency swaps and also designates its foreign currency borrowings against highly probable forecasted export sales for hedge accounting to manage its foreign currency exposure.

These instruments are measured at fair values at each reporting period resulting in derivative financial assets and derivative financial liabilities. The gain / loss on maturity/ termination of such derivative instruments is recorded in the statement of profit and loss along with the relevant hedged item.

The cash flow hedges of the highly probable forecasted export sales during the year ended 31<sup>st</sup> March, 2025 were assessed to be highly effective and a net unrealised (loss) / gain of ₹ 1,240.4 Lakhs (31<sup>st</sup> March, 2024: ₹ 20 Lakhs) is included in OCI. The amounts retained in OCI at March 31, 2025 are expected to be realised in the statement of profit and loss till the year ended 31<sup>st</sup> March, 2028.

The following are the details of outstanding derivative and non derivative instruments (foreign currency loans) entered into by the Group which have been designated as cash flow hedges:

As at 31<sup>st</sup> March, 2025

Type of Cover	Amount outstanding in Foreign currency in lakhs	Currency	Fair value gain / (loss)	
			in OCI (effective)	in P&L (ineffective)
Non-derivative contracts (Foreign Currency Loans)	114.8	USD	1,519.0	(139.6)
Derivative contracts - IRS and CCIRS	106.4	USD	(278.8)	-
			<b>1,240.2</b>	<b>(139.6)</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Type of Cover	Amount outstanding in Foreign currency in lakhs	Currency	As at 31 <sup>st</sup> March, 2024	
			Fair value gain / (loss)	
			in OCI (effective)	in P&L (ineffective)
Non-derivative contracts (Foreign Currency Loans)	304.3	USD	798.1	(268.1)
Derivative contracts - IRS and CCIRS	279.3	USD	(778.1)	(7.1)
			<b>20.0</b>	<b>(275.2)</b>

For qualitative details w.r.t hedging strategy followed by the Group (refer note 43A).

### Derivatives not designated as hedging instruments:

The Group has used foreign exchange forward contracts to manage its import payments, loan repayments, and realisation from export customers. These foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions i.e. the payments against import purchases, loan repayments, and realisation from export customers.

## 49 EXCEPTIONAL ITEMS

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Amounts incurred towards acquisition of Heubach Group - refer note 49 (a)	(10,362.5)	-
Sale of freehold land - refer note 49 (b)	-	31,510.1
	(10,362.5)	31,510.1

- a) The Board of Directors of Sudarshan Europe B.V ("SEBV") which is a wholly owned subsidiary of the Holding Company, at its meeting held on 8<sup>th</sup> October, 2024 provided its in-principle approval for the acquisition of global pigment business operations of the Heubach Group of Germany through an asset and share deal, subject to completion of customary conditions and receipt of requisite regulatory approvals. Pursuant to this, SEBV has entered into a definitive agreement in relation to the said proposed acquisition on 11<sup>th</sup> October 2024. The said acquisition was completed on 3<sup>rd</sup> March, 2025 ("Closing Date") by SEBV for a preliminary purchase consideration of €151.9 million (approx. ₹ 1,38,990.0 lakhs). The acquisition was financed through a combination of external funds raised by the Group. Transaction and other incidental costs with respect to the aforesaid acquisition incurred up to 31<sup>st</sup> March, 2025 have been disclosed as "Exceptional items".
- b) During the previous year, the Holding Company concluded the sale of its freehold land along with the structures thereon located at 162 Wellesley Road, Pune 411 001, for a total consideration of ₹ 35,600.0 lakhs resulting into a gain of ₹ 31,510.1 lakhs (net of transaction costs and other incidental costs). These assets were disclosed as Assets Held for Sale as on 31<sup>st</sup> March, 2023. Tax expense on this exceptional item amounting to ₹ 6,921.0 lakhs is included in current tax expenses of previous year.

## 50 FINANCIAL INSTRUMENTS - FAIR VALUES

Below is a comparison, by class, of the carrying amounts of the Group's financial instruments as of 31<sup>st</sup> March, 2025.

Particulars	Financial assets / liabilities at amortised Cost	Financial assets / liabilities at fair value through profit and loss	Financial assets / liabilities at fair value through OCI	Total carrying Value
<b>Financial assets</b>				
Investments	0.1	33,731.3	-	33,731.4
Loans	211.7	-	-	211.7

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Financial assets / liabilities at amortised Cost	Financial assets / liabilities at fair value through profit and loss	Financial assets / liabilities at fair value through OCI	Total carrying Value
Trade receivables	1,22,495.2	-	-	1,22,495.2
Cash and cash equivalents	1,10,432.5	-	-	1,10,432.5
Bank balances other than cash and cash equivalents	40,692.9	-	-	40,692.9
Derivatives - Forward Contracts Receivable	-	947.8	-	947.8
Interest rate / currency swap contracts	-	-	137.1	137.1
Other financial assets	11,302.7	-	-	11,302.7
<b>Total</b>	<b>2,85,135.1</b>	<b>34,679.1</b>	<b>137.1</b>	<b>3,19,951.3</b>
<b>Financial liabilities</b>				
Borrowings	2,08,466.4	-	-	2,08,466.4
Lease liabilities	29,285.7	-	-	29,285.7
Trade payables	1,39,845.0	-	-	1,39,845.0
Derivative - Forward Contracts Payable	-	353.8	-	353.8
Other financial liabilities	63,863.9	-	-	63,863.9
<b>Total</b>	<b>4,41,461.0</b>	<b>353.8</b>	<b>-</b>	<b>4,41,814.8</b>

Note: The carrying amounts of financial assets and financial liabilities carried at amortised cost approximate their fair values.

Below is a comparison, by class, of the carrying amounts of the Group's financial instruments as of 31<sup>st</sup> March, 2024.

Particulars	Financial assets / liabilities at amortised Cost	Financial assets / liabilities at fair value through profit and loss	Financial assets / liabilities at fair value through OCI	Total carrying Value
<b>Financial assets</b>				
Investments	1.1	243.0	-	244.1
Other non-current financial assets	833.2	-	-	833.2
Trade receivables	58,531.9	-	-	58,531.9
Cash and cash equivalents	4,723.7	-	-	4,723.7
Bank balances other than cash and cash equivalents	866.8	-	-	866.8
Derivatives - Forward Contracts Receivable	-	34.0	-	34.0
Interest rate / currency swap contracts	-	-	797.1	797.1
Other current financial assets	753.1	-	-	753.1
<b>Total</b>	<b>65,709.8</b>	<b>277.0</b>	<b>797.1</b>	<b>66,783.9</b>
<b>Financial liabilities</b>				
Borrowings	44,093.0	-	-	44,093.0
Lease liabilities	2,613.5	-	-	2,613.5
Trade payables	51,204.6	-	-	51,204.6
Derivative - Forward Contracts Payable	-	82.0	-	82.0
Other financial liabilities	4,423.7	-	-	4,423.7
<b>Total</b>	<b>1,02,334.8</b>	<b>82.0</b>	<b>-</b>	<b>1,02,416.8</b>

Note: The carrying amounts of financial assets and financial liabilities carried at amortised cost approximate their fair values.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025 (All amounts are in ₹ Lakhs, unless otherwise stated)

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

The following method and assumptions were used to estimate the fair value:

- (i) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of unquoted instruments, loans from banks, related parties and other financial liabilities as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (iii) The Group enters into derivative financial instruments with financial institutions and banks with investment grade credit ratings. Foreign exchange Forward Contracts and Interest Rate Swap are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The model incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.
- (iv) The fair values of the Group's interest-bearing borrowings and loans are determined by using Discounted Cash Flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.

### 51 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.; as prices) or indirectly (i.e.; derived from prices). This level of hierarchy include Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 31<sup>st</sup> March, 2025 and 31<sup>st</sup> March, 2024.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy -

Reporting Date	Date of valuation	Fair value measurement using			
		Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>					
<b>Financial assets at FVTPL</b>					
<b>Foreign exchange forward contracts</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	947.8	-	947.8	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	34.0	-	34.0	-
<b>Investment in mutual funds</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	32,818.1	25,729.0	7,089.1	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	-	-	-	-
<b>Investment in others*</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	913.2	-	-	913.2
As at 31 <sup>st</sup> March, 2024	31st March, 2024	243.0	-	-	243.0
<b>Financial assets at FVTOCI</b>					
<b>Interest rate / Swap contracts</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	137.1	-	137.1	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	797.1	-	797.1	-
<b>Total Financial assets</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	34,816.2	25,729.0	8,174.0	913.2
As at 31 <sup>st</sup> March, 2024	31st March, 2024	1,074.1	-	831.1	243.0
<b>Financial liabilities</b>					
<b>Financial liabilities at FVTPL</b>					
<b>Foreign exchange forward contracts</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	353.8	-	353.8	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	82.0	-	82.0	-
<b>Total Financial liabilities</b>					
As at 31 <sup>st</sup> March, 2025	31st March, 2025	353.8	-	353.8	-
As at 31 <sup>st</sup> March, 2024	31st March, 2024	82.0	-	82.0	-

The table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

\*Movement in the value is on account of change in fair value of investment.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Valuation technique used to determine fair value of fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy are as show below:

Type	Valuation Technique
Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest rate/ Currency swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating - rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the respective group entity and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or on credit spreads derived from current credit default swap or bond prices.
Investment in others	The valuation model considers the present value of expected payments, discounted using a current risk adjusted discount rate. They are classified as Level 3 Fair values.
Investment in mutual funds	The fair values of the mutual funds are based on net asset value as at reporting date.

Also refer note 44 for valuation technique as result of business combination.

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. The group has assessed whether its properties are exposed to physical risks, such as flooding and increasing wildfires, but believes that this is currently not the case. However, the Group believes it is, to some extent, impacted by transition risks, and, more specifically, increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings. The Group therefore, takes into account necessary upgrades required to ensure future compliance with those requirements when measuring the fair value of investment properties, if any.

### 52 HYPERINFLATIONARY ECONOMIES

During the year ended March 31, 2025, the Group has acquired subsidiaries operating in Argentina (Heubach Colorants Argentina S.A.U.) and Turkiye (Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.S.) (refer note 54), both of which are considered hyperinflationary economies based on the criteria set out in Ind AS 29. The consolidated financial statements for the year ended 31<sup>st</sup> March, 2025 includes results and financial position of subsidiaries in Argentina and Turkiye which does not have a significant impact on the consolidated financial statements as a result of the application of hyperinflation accounting.

### 53 INTEREST IN JOINT VENTURES

Particulars	As at 31 <sup>st</sup> March, 2025
<b>1 Hangzhou Baihe Heubach Pigments Co. Ltd, China*</b>	
The Group holds 49% interest in Hangzhou Baihe Heubach Pigments Co. Ltd, a joint venture involved in the manufacture of pigments. The Group's interest in Hangzhou Baihe Heubach Pigments Co. Ltd is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below	17,409.6

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025
<b>2 Heubach Toyo Colour Private Limited, India*</b>	
The Group holds 50% interest in Heubach Toyo Colour Private Limited, a joint venture involved in the trading business of colour pigment. It is joint venture between Heubach Colour Private Limited, India and Artience Co., Ltd., Japan (earlier known as Toyo Ink sc Holdings Co. Ltd., Japan) each having 50% interest. The Group's interest in Heubach Toyo Colour Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below	3,611.9
*Refer note 44 for interest in joint ventures acquired as part of business combination.	

Particulars	As at 31 <sup>st</sup> March, 2025	
	Hangzhou Baihe Heubach Pigments Co. Ltd	Heubach Toyo Colour Private Limited
<b>Summarised balance sheet</b>		
Current assets		
Trade receivables	16,254.5	864.5
Cash and cash equivalents	13,626.5	90.8
Bank balances other than above	-	1,060.5
Other assets	10,560.0	2,929.8
Total current assets	40,441.0	4,945.5
Total non-current assets	17,994.3	4,164.5
Current Liabilities		
Financial liabilities (excluding trade and other payables and provisions)	3,213.8	92.3
Other liabilities	11,731.1	967.2
Total current Liabilities	14,944.9	1,059.5
Total non-current liabilities	58.9	1,017.2
Equity	34,434.4	7,033.4
<b>Reconciliation to carrying amounts</b>		
Opening net assets	-	-
Additions on account of business combination (refer note 44)	33,941.7	6,943.0
Profit for the period (from 4 <sup>th</sup> March, 2025 to 31 <sup>st</sup> March, 2025)	492.7	90.4
Other Comprehensive Income	-	-
Closing net assets	34,434.4	7,033.4
Group's share in %	49%	50%
Group's share in ₹	16,872.9	3,516.7
Changes on account of fair valuation of assets acquired in business combination (refer note 44)	536.7	95.2
Carrying amount	17,409.6	3,611.9
<b>Summarised Statement of profit and loss (from 4<sup>th</sup> March, 2025 to 31<sup>st</sup> March, 2025)</b>		
Revenue	5,064.2	340.7
Other income	106.4	41.4

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2025	
	Hangzhou Baihe Heubach Pigments Co. Ltd	Heubach Toyo Colour Private Limited
Less:		
Cost of goods sold	4,629.7	81.7
Depreciation and amortisation expense	-	9.5
Finance costs	(60.9)	(61.5)
Other expenses	18.8	45.2
Income tax expense	90.3	216.8
Profit	492.7	90.4
Other Comprehensive Income	-	-
Total Other Comprehensive Income	492.7	90.4
Aggregate amounts of the Group's Share of:		
Profit / (Loss)	241.4	45.2
Other Comprehensive Income	-	-
<b>Share of the Group in the capital commitment, contingent liabilities in respect of joint ventures</b>		
<b>Share of joint venture's contingent liabilities in respect of:</b>		
Excise matters	-	-
Other tax matters	-	-
Income tax matters	-	-
Others	-	-
<b>Commitments - joint ventures</b>		
Share of joint venture's estimated value of contracts in capital account remaining to be executed (net of advances)	-	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 54 INTEREST IN OTHER ENTITIES

#### Statutory group information

A. The Group consists of the parent company, Sudarshan Chemical Industries Limited, incorporated in India and its subsidiaries and joint ventures as below:

Sr No	Name of the Entity	Principal activity	Type of interest	Principal place of business / country of incorporation	Ownership interest held by the Group	
					As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
1	RIECO Industries Limited	Project engineering and manufacturing business of grinding solutions, clean air solutions, power handling solutions etc.	Subsidiary	India	100%	100%
2	Sudarshan CSR Foundation	CSR activities of the Group	Subsidiary	India	100%	100%
3	Sudarshan Japan Limited	Trading arm of the Group	Subsidiary	Japan	100%	100%
4	Sudarshan Europe B.V.	Marketing and distribution of pigments	Subsidiary	The Netherlands	100%	100%
5	Sudarshan North America, Inc.	Trading arm of the Group	Subsidiary	The United states of America	100%	100%
6	Sudarshan Mexico S. de R.L. de CV.	Trading arm of the Group	Subsidiary	Mexico	100%	100%
7	Sudarshan (Shanghai) Trading Company Limited	Trading arm of the Group	Subsidiary	China	100%	100%
8	Sudarshan Brasil Ltda. (incorporated on 12th August, 2024) ^	Trading arm of the Group	Subsidiary	Brazil	100%	-
9	Sudarshan Switzerland HLD2 AG (formerly known as Heubach EBITO Chemiebetreibungen AG)*	Investment company as holding company for investments of the Group	Subsidiary	Switzerland	100%	-
10	Sudarshan Europe Management GmbH (formerly known as Blitz F24-526 GmbH) (acquired on 14th January, 2025) **	(a) Manufacturing and distribution of pigments, (b) acquisition and distribution of machinery and mechanical equipment, and (c) provision of services of employees and managing directors with in the Group	Subsidiary	Germany	100%	-
11	Sudarshan Middle East General Trading L.L.C. (incorporated on 13th February, 2025)	General trading	Subsidiary	United Arab Emirates	100%	-
12	Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG)*	Investment company as holding company for investments of the Group	Subsidiary	Switzerland	100%	-
13	Heubach Colorants Middle East FZE * ^^	Commission Agent for procuring orders for sale of Pigments	Subsidiary	United Arab Emirates	100%	-
14	Heubach Colorants Argentina S.A.U.*	Trading arm of the Group	Subsidiary	Argentina	100%	-
15	Sudarshan Belgium SLO SRL (formerly known as Heubach Colorants Belgium SRL)*	Trading arm of the Group	Subsidiary	Belgium	100%	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Sr No	Name of the Entity	Principal activity	Type of interest	Principal place of business / country of incorporation	Ownership interest held by the Group	
					As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
16	Sudarshan Brasil MFG Ltda. (formerly known as Heubach Colorants Brasil Ltda.)*	Trading arm of the Group	Subsidiary	Brazil	100%	-
17	Sudarshan Canada SLO Inc. (formerly known as Heubach Colorants Canada Inc.)*	Trading arm of the Group	Subsidiary	Canada	100%	-
18	Sudarshan Switzerland SLO AG (Formerly known as Heubach Colorants Switzerland AG)*	Trading arm of the Group	Subsidiary	Switzerland	100%	-
19	Sudarshan Switzerland Consulting AG (formerly known as Heubach Colorants Consulting Switzerland AG)*	Investment company as holding company for investments of the Group	Subsidiary	Switzerland	100%	-
20	Sudarshan Chile Industria Quimica Limitada (formerly known as Heubach Colorants Chile Industria Quimica Limitada)*	Manufacturing and trading of pigments	Subsidiary	Chile	100%	-
21	Heubach Colorants Pigment Preparations (Tianjin) Ltd.*	Manufacturing of pigments	Subsidiary	China	100%	-
22	Heubach Colorants (Shanghai) Ltd.*	Trading arm of the Group	Subsidiary	China	100%	-
23	Heubach Colorants Colombia S.A.S.*	Trading arm of the Group	Subsidiary	Colombia	100%	-
24	Heubach Colorants Iberica, S.L.U.*	Trading arm of the Group	Subsidiary	Spain	100%	-
25	Heubach Colorants France SAS*	Trading arm of the Group	Subsidiary	France	100%	-
26	Sudarshan UK SLO Ltd. (formerly known as Heubach Colorants UK Ltd.)*	Trading arm of the Group	Subsidiary	United Kingdom	100%	-
27	P.T. Heubach Colorants Coatings Indonesia*	Manufacturing of pigments	Subsidiary	Indonesia	100%	-
28	P.T. Heubach Colorants Indonesia*	Trading arm of the Group	Subsidiary	Indonesia	100%	-
29	Heubach Colorants India Limited*#	Manufacturing of pigments	Subsidiary	India	54.36%	-
30	Sudarshan Italy SLO S.r.l. (formerly known as Heubach Colorants Italy S.r.l.)*	Trading arm of the Group	Subsidiary	Italy	100%	-
31	Sudarshan Japan MFG K.K. (formerly known as Heubach Colorants Japan K.K.)*	Manufacturing of pigments, trading arm of the Group, and research centre	Subsidiary	Japan	100%	-
32	Heubach Colorants Korea Ltd.*	Manufacturing of pigments, trading arm of the Group, and research centre	Subsidiary	Korea	100%	-
33	Sudarshan Malaysia SLO Sdn. Bhd. (formerly known as Heubach Colorants Malaysia Sdn. Bhd.)*	Trading arm of the Group, and research centre	Subsidiary	Malaysia	100%	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Sr No	Name of the Entity	Principal activity	Type of interest	Principal place of business / country of incorporation	Ownership interest held by the Group	
					As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
34	Heubach Colorants Peru S.A.C. * ^ ^	Trading arm of the Group	Subsidiary	Peru	100%	-
35	Heubach Colorants Scandinavia AB * ^ ^	Trading arm of the Group	Subsidiary	Sweden	100%	-
36	Sudarshan Singapore SLO Pte. Ltd. (formerly known as Heubach Colorants Singapore Pte. Ltd.)*	Trading arm of the Group, and acts as the regional invoicing and export hub for the Group	Subsidiary	Singapore	100%	-
37	Sudarshan MFG (Thailand) Ltd. (formerly known as Heubach Colorants (Thailand) Limited.)*	Manufacturing of pigments and trading arm of the Group	Subsidiary	Thailand	100%	-
38	Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.Ş. (formerly known as Heubach Colorants Turkey Boya Sanayi ve Ticaret A.S.)*	Trading arm of the Group	Subsidiary	Turkey	100%	-
39	Heubach Colorants Taiwan Co., Ltd.*	Trading arm of the Group	Subsidiary	Taiwan	100%	-
40	Sudarshan Southern Africa MFG (Pty) Ltd. (formerly known as Heubach Colorants Southern Africa (Pty) Ltd)*	Manufacturing of pigments	Subsidiary	South Africa	100%	-
41	Heubach Colorants Mexico, S.A. de C.V.*	Manufacturing of pigments	Subsidiary	Mexico	100%	-
42	Heubach Colorants Mexico Productos Químicos, S.A. de C.V.*	Manufacturing of pigments	Subsidiary	Mexico	100%	-
43	Sudarshan Lux Holding S.a.r.l (formerly known as Heubach Holdings S.a.r.l.)*	Investment company as holding company for investments of the Group	Subsidiary	Luxembourg	100%	-
44	Sudarshan USA SLO LLC (formerly known as Heubach Colorants USA LLC)*	Trading arm of the Group	Subsidiary	The United states of America	100%	-
45	Sudarshan USA HLD1 LLC (formerly known as Heubach Holding USA LLC)*	Investment company as holding company for investments of the Group	Subsidiary	The United states of America	100%	-
46	Heubach Colour Private Limited*	Manufacturing of pigments	Subsidiary	India	100%	-
47	Sudarshan Osaka SLO K.K. (formerly known as Heubach Japan K.K.)*	Trading arm of the Group	Subsidiary	Japan	100%	-
48	Heubach Pigments Private Limited*	Manufacturing of pigments	Subsidiary	India	100%	-
49	Heubach Research Centre s.r.o.*	Undertakes research & development activities and holds REACH registrations for the Group	Subsidiary	Czech Republic	100%	-

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Sr No	Name of the Entity	Principal activity	Type of interest	Principal place of business / country of incorporation	Ownership interest held by the Group	
					As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
50	Sudarshan Germany Horizons GmbH (formerly known as Blitz F24-522 GmbH) (acquired on 20th December, 2024) **	(a) Manufacturing of pigments, including related research and development, (b) distribution of machinery and mechanical equipment, (c) Investment company as holding company for investments of the Group	Subsidiary	Germany	100%	-
51	Sudarshan Fairless Hills MFG Ltd., LP (formerly known as Heubach Ltd.)*	Manufacturing and trading of pigments	Subsidiary	The United states of America	100%	-
52	Inventories Frankfurt GmbH*	Holding and managing inventories and supplies	Subsidiary	Germany	100%	-
53	VP4 Frankfurt GmbH*	Manufacturing of pigments	Subsidiary	Germany	100%	-
54	Inventories Langelsheim GmbH*	Holding and managing inventories and supplies	Subsidiary	Germany	100%	-
55	Sudarshan Langelsheim PLT GmbH (formerly known as Blitz F24-523 GmbH) (acquired on 20th December, 2024) **	Manufacturing of pigments	Subsidiary	Germany	100%	-
56	Sudarshan Langelsheim RE GmbH (formerly known as Blitz F24-524 GmbH) (acquired on 20th December, 2024) **	Manufacturing of pigments	Subsidiary	Germany	100%	-
57	Heubach Foundation*	CSR activities of the Group	Subsidiary	India	100%	-
58	Heubach Europa EWIV*	Serves as a support legal entity for customs and trade purposes	Subsidiary	Germany	100%	-
59	Hangzhou Baihe Heubach Pigments Co. Ltd.* ##	Manufacturing of pigments	Joint venture	China	49%	-
60	Heubach Toyo Colour Private Limited* ##	Manufacturing and trading of pigments	Joint venture	India	50%	-

\* Acquired on 3<sup>rd</sup> March, 2025 pursuant to the acquisition of Heubach Group (refer note 44).

\*\* Acquired during the year for execution of the Heubach Group acquisition (refer note 44).

# Ownership interest held by non-controlling interest as at 31<sup>st</sup> March, 2025 is 45.64% (31<sup>st</sup> March, 2024: not applicable).

## Investment in these entities has been accounted by equity method.

^ The said step-down subsidiary is yet to commence business operations and there has been no transactions since incorporation and hence the same has not been consolidated as at 31<sup>st</sup> March, 2025.

^^ Under liquidation

**B. As of 31<sup>st</sup> March, 2025, there are no holdings of non-controlling interest in the material subsidiaries of the Group.**

## Notes to the Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2025  
(All amounts are in ₹ Lakhs, unless otherwise stated)

### 54 INTEREST IN OTHER ENTITIES

#### C) Additional information pursuant to Para 2 of Part III of Division II of Schedule III for preparation of general instructions for the preparation of Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2025

Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of total Consolidated net assets	Amount	As % of total Consolidated Profit or Loss	Amount	As % of total Consolidated OCI	Amount	As % of total Consolidated TCI	Amount
<b>Parent Company</b>								
Sudarshan Chemical Industries Limited	55.9%	2,25,892.7	234.3%	14,097.4	0.9%	1,133.1	11.8%	15,230.5
<b>Indian Subsidiaries</b>								
RIECO Industries Limited	0.3%	1,060.0	(36.0)%	(2,168.2)	0.0%	1.7	(1.7)%	(2,166.5)
Sudarshan CSR Foundation	0.0%	32.0	0.3%	19.2	0.0%	-	0.0%	19.2
Heubach Colorants India Limited	13.0%	52,333.6	16.1%	966.8	0.0%	(44.8)	0.7%	922.0
Heubach Colour Private Limited	10.3%	41,568.6	21.4%	1,290.1	0.0%	2.0	1.0%	1,292.2
Heubach Foundation	0.0%	(0.6)	0.0%	(0.0)	0.0%	(0.0)	0.0%	(0.0)
Heubach Pigments Private Limited	(14.1)%	(57,003.7)	(10.4)%	(627.2)	0.0%	0.3	(0.5)%	(626.9)
<b>Foreign Subsidiaries</b>								
Sudarshan Japan Limited	0.0%	(5.6)	0.4%	21.6	0.0%	(0.6)	0.0%	21.0
Sudarshan Europe B.V.	0.0%	46.6	(109.9)%	(6,610.3)	(0.2)%	(229.3)	(5.3)%	(6,839.6)
Sudarshan North America, Inc.	0.8%	3,272.3	3.9%	235.1	0.1%	73.8	0.2%	308.9
Sudarshan Mexico S. de R.L. de CV.	0.3%	1,223.2	5.4%	324.1	0.0%	24.8	0.3%	348.9
Sudarshan (Shanghai) Trading Company Limited	0.0%	(20.1)	0.2%	9.9	0.0%	(0.6)	0.0%	9.4
Sudarshan Brasil Ltda.	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Sudarshan Middle East General Trading L.L.C.	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Sudarshan Switzerland HLD2 AG (formerly known as Heubach EBITO Chemieeteiligungen AG)	3.1%	12,607.4	(0.6)%	(38.4)	0.8%	958.0	0.7%	919.6
Sudarshan Europe Management GmbH (formerly known as Blitz F24-526 GmbH)	0.0%	(141.3)	(2.8)%	(166.4)	0.0%	1.9	(0.1)%	(164.5)
Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG)	23.7%	95,538.7	9.6%	578.8	0.2%	283.5	0.7%	862.3

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of total Consolidated net assets	Amount	As % of total Consolidated Profit or Loss	Amount	As % of total Consolidated OCI	Amount	As % of total Consolidated TCI	Amount
Heubach Colorants Middle East FZE	0.1%	598.1	0.2%	9.9	0.0%	(12.1)	0.0%	(2.2)
Heubach Colorants Argentina S.A.U.	(1.1)%	(4,307.2)	(2.6)%	(153.7)	0.1%	112.5	0.0%	(41.2)
Sudarshan Belgium SLO SRL (formerly known as Heubach Colorants Belgium SRL)	0.4%	1,684.7	1.0%	57.6	0.0%	18.8	0.1%	76.4
Sudarshan Brasil MFG Ltda. (formerly known as Heubach Colorants Brasil Ltda.)	2.2%	8,801.4	3.1%	187.3	0.0%	(7.2)	0.1%	180.1
Sudarshan Canada SLO Inc. (formerly known as Heubach Colorants Canada Inc.)	0.2%	999.3	0.6%	37.7	0.0%	(8.7)	0.0%	29.0
Sudarshan Switzerland SLO AG (Formerly known as Heubach Colorants Switzerland AG)	(5.9)%	(23,901.1)	0.3%	20.8	0.0%	36.3	0.0%	57.1
Sudarshan Switzerland Consulting AG (formerly known as Heubach Colorants Consulting Switzerland AG)	0.0%	93.9	0.0%	(0.1)	0.0%	(0.1)	0.0%	(0.2)
Sudarshan Chile Industria Quimica Limitada (formerly known as Heubach Colorants Chile Industria Quimica Limitada)	(0.1)%	(279.8)	(0.6)%	(34.8)	0.0%	6.3	0.0%	(28.5)
Heubach Colorants Pigment Preparations (Tianjin) Ltd.	1.6%	6,478.6	0.3%	18.0	(0.1)%	(111.1)	(0.1)%	(93.1)
Heubach Colorants (Shanghai) Ltd.	0.4%	1,765.7	(4.0)%	(241.1)	0.0%	(31.2)	(0.2)%	(272.3)
Heubach Colorants Colombia S.A.S.	0.2%	780.6	0.0%	0.3	0.0%	(30.7)	0.0%	(30.4)
Sudarshan Italy SLO S.r.l. (formerly known as Heubach Colorants Italy S.r.l.)	1.4%	5,734.7	0.9%	52.3	0.1%	67.3	0.1%	119.6
Heubach Colorants Iberica, S.L.U.	0.6%	2,434.1	1.0%	62.6	0.0%	27.6	0.1%	90.2
Heubach Colorants France SAS	0.4%	1,497.7	0.4%	26.9	0.0%	17.3	0.0%	44.2
Sudarshan UK SLO Ltd. (formerly known as Heubach Colorants UK Ltd.)	0.3%	1,020.2	1.9%	116.6	0.0%	(2.4)	0.1%	114.2
P.T. Heubach Colorants Coatings Indonesia	0.2%	735.1	1.0%	60.2	0.0%	(18.0)	0.0%	42.2
P.T. Heubach Colorants Indonesia	0.0%	129.4	0.3%	16.4	0.0%	(3.1)	0.0%	13.3
Sudarshan Japan MFG K.K. (formerly known as Heubach Colorants Japan K.K.)	8.6%	34,819.2	8.6%	516.8	-0.6%	(780.5)	(0.2)%	(263.8)

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of total Consolidated net assets	Amount	As % of total Consolidated Profit or Loss	Amount	As % of total Consolidated OCI	Amount	As % of total Consolidated TCI	Amount
Heubach Colorants Korea Ltd.	0.1%	379.7	0.3%	17.2	0.0%	(10.5)	0.0%	6.7
Sudarshan Malaysia SLO Sdn. Bhd. (formerly known as Heubach Colorants Malaysia Sdn. Bhd.)	0.3%	1,045.9	0.9%	55.2	0.0%	(14.4)	0.0%	40.9
Heubach Colorants Peru S.A.C.	0.0%	(30.3)	0.0%	(1.8)	0.0%	0.4	0.0%	(1.4)
Heubach Colorants Scandinavia AB	0.3%	1,309.7	(0.7)%	(40.0)	0.0%	39.5	0.0%	(0.5)
Sudarshan Singapore SLO Pte. Ltd. (formerly known as Heubach Colorants Singapore Pte. Ltd.)	1.9%	7,706.7	14.6%	877.5	(0.1)%	(127.3)	0.6%	750.2
Sudarshan MFG (Thailand) Ltd. (formerly known as Heubach Colorants (Thailand) Limited.)	0.5%	1,837.2	0.2%	9.2	0.0%	(38.2)	0.0%	(29.0)
Sudarshan Turkey SLO Boya Sanayi ve Ticaret A.Ş. (formerly known as Heubach Colorants Turkey Boya Sanayi ve Ticaret A.S.)	0.5%	1,956.7	0.5%	32.7	(0.1)%	(130.4)	(0.1)%	(97.8)
Heubach Colorants Taiwan Co., Ltd.	0.2%	614.6	0.4%	22.6	0.0%	(17.6)	0.0%	5.0
Sudarshan Southern Africa MFG (Pty) Ltd. (formerly known as Heubach Colorants Southern Africa (Pty) Ltd)	0.6%	2,529.2	1.0%	57.2	0.0%	(27.0)	0.0%	30.2
Heubach Colorants Mexico, S.A. de C.V.	4.1%	16,441.6	3.8%	227.3	(0.1)%	(69.8)	0.1%	157.4
Heubach Colorants Mexico Productos Quimicos, S.A. de C.V.	0.8%	3,179.4	0.2%	10.4	0.0%	(19.7)	0.0%	(9.2)
Sudarshan Lux Holding S.a.r.l (formerly known as Heubach Holdings S.a.r.l) (include effects of business combination)	5.9%	23,930.2	0.6%	36.1	10.3%	12,738.0	9.9%	12,774.2
Sudarshan USA SLO LLC (formerly known as Heubach Colorants USA LLC)	2.4%	9,492.8	8.8%	531.8	(0.2)%	(205.8)	0.3%	326.0
Sudarshan USA HLD1 LLC (formerly known as Heubach Holding USA LLC)	5.0%	20,041.7	(0.5)%	(33.0)	0.2%	206.3	0.1%	173.3
Sudarshan Osaka SLO K.K. (formerly known as Heubach Japan K.K.)	0.2%	948.3	0.2%	9.3	0.0%	(21.3)	0.0%	(12.0)

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of total Consolidated net assets	Amount	As % of total Consolidated Profit or Loss	Amount	As % of total Consolidated OCI	Amount	As % of total Consolidated TCI	Amount
Heubach Research Centre s.r.o	(0.1)%	(326.2)	(0.2)%	(13.0)	0.0%	(4.6)	0.0%	(17.6)
Sudarshan Germany Horizons GmbH (formerly known as Blitz F24-522 GmbH)	(1.2)%	(4,652.0)	(53.8)%	(3,236.9)	(0.7)%	(866.4)	(3.2)%	(4,103.3)
Inventories Frankfurt GmbH	19.3%	78,026.4	13.3%	801.5	0.7%	914.0	1.3%	1,715.5
VP4 Frankfurt GmbH	0.7%	2,932.6	6.8%	409.1	0.0%	25.5	0.3%	434.6
Inventories Langelsheim GmbH	4.2%	16,857.2	5.4%	327.3	0.2%	193.6	0.4%	520.9
Sudarshan Langelsheim PLT GmbH (formerly known as Blitz F24-523 GmbH)	(0.3)%	(1,189.5)	(20.4)%	(1,226.6)	0.0%	15.2	(0.9)%	(1,211.4)
Sudarshan Fairless Hills MFG Ltd., LP (formerly known as Heubach Ltd.)	1.5%	5,937.2	(3.3)%	(196.6)	(0.1)%	(133.9)	(0.3)%	(330.5)
Sudarshan Langelsheim RE GmbH (formerly known as Blitz F24-524 GmbH)	0.0%	9.1	(0.3)%	(16.3)	0.0%	1.2	0.0%	(15.1)
<b>Non-controlling interests</b>								
Heubach Colorants India Limited	(5.9)%	(23,855.3)	(7.3)%	(441.2)	0.0%	20.4	(0.3)%	(420.8)
<b>Indian Joint ventures</b>								
Heubach Toyo Colour Private Limited	0.9%	3,516.7	0.8%	45.2	0.0%	-	0.0%	45.2
<b>Foreign Joint ventures</b>								
Hangzhou Baihe Heubach Pigments Co. Limited	4.2%	16,872.9	4.0%	241.4	0.0%	-	0.2%	241.4
<b>Eliminations including effects of consolidation and business combination</b>	(48.8)%	(1,97,140.7)	(19.5)%	(1,175.1)	88.7%	1,09,560.8	83.7%	1,08,385.6
<b>Total</b>	<b>100%</b>	<b>4,03,829.9</b>	<b>100%</b>	<b>6,016.5</b>	<b>100%</b>	<b>1,23,512.8</b>	<b>100%</b>	<b>1,29,529.3</b>

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Entity	For the year ended 31 <sup>st</sup> March, 2024									
	Net Assets (Total Assets - Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)			
	As % of total Consolidated net assets	Amount	As % of total Consolidated Profit or Loss	Amount	As % of total Consolidated OCI	Amount	As % of total Consolidated TCI	Amount		
<b>Parent Company</b>										
Sudarshan Chemical Industries Limited	96.3%	1,10,648.8	93.8%	33,512.4	227.2%	(269.9)	93.7%	33,242.5		
<b>Indian Subsidiaries</b>										
RIECO Industries Limited	3.4%	3,875.8	1.3%	459.9	(0.5%)	0.6	1.3%	460.5		
<b>Foreign Subsidiaries</b>										
Sudarshan Europe B.V	6.0%	6,884.5	1.8%	679.9	24.3%	(28.9)	1.8%	651.0		
Sudarshan North America	2.6%	2,963.4	1.8%	632.4	(15.4%)	18.2	1.8%	650.6		
Sudarshan Mexico	0.8%	874.2	0.7%	266.7	(17.9%)	21.3	0.8%	288.0		
Sudarshan (Shanghai)	(0.1%)	(29.3)	0.0%	0.6	4.7%	(5.6)	0.0%	(5.0)		
Sudarshan Japan	0.0%	(26.5)	0.1%	24.4	(4.5%)	5.4	0.1%	29.8		
<b>Eliminations including effects of consolidation</b>	(9.0%)	(10,287.2)	0.5%	168.4	(117.9%)	140.1	0.5%	168.4		
<b>Total</b>	<b>100.0%</b>	<b>1,14,903.7</b>	<b>1.0</b>	<b>35,744.7</b>	<b>100.0%</b>	<b>(118.8)</b>	<b>100.0%</b>	<b>35,485.8</b>		

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

- 55** During the year 2019, Heubach Colorants India Limited ("HCIL"), a subsidiary of the Holding Company (acquired as part of the Heubach Group acquisition w.e.f. 3<sup>rd</sup> March, 2025), on the basis of an independent valuation, obtained approval from its Board of Directors for the transfer of certain furniture and fixtures and other assets located at the Airoli Office to Clariant India Private Limited ("CIPL"), a related party at ₹ 2,581 Lakhs. Due to various reasons, the transfer of these assets could not be concluded till 2021. The current management noticed that certain identified assets belonging to HCIL were unauthorisedly transferred to CIPL without due approval from their Board of Directors. Upon becoming aware of the matter, their Board of Directors engaged external independent agencies to conduct a fact-finding exercise relating to the transaction. HCIL continued to engage in negotiations to recover the assets and mitigate any potential adverse impact arising from the transaction. As on the date of these financial statements, the matter remains under review. Additionally, based on the fact-finding report, HCIL is evaluating various legal options to determine the appropriate course of action. A final resolution including effects, if any, on the consolidated financial statement is pending.
- 56** Additional Regulatory Information / disclosures as required by General Instructions to Division II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Group.
- 57** The Group has evaluated the likely impact of prevailing uncertainties relating to imposition or enhancement of reciprocal tariffs and believes that there is no material impact on the financial statements of the Group for the year ended 31<sup>st</sup> March, 2025. However, the Group will continue to monitor the situation from the perspective of potential impact on the operations of the Group.
- 58 Events after the reporting period ended 31<sup>st</sup> march, 2025.**

The management of the Group has evaluated all the activities of the Group till 25<sup>th</sup> July, 2025 and has noted the following material non- adjusting subsequent events:

- a. The Board of Directors of the Holding Company at its meeting held on 14<sup>th</sup> February, 2025, accorded its approval for reclassification of Mr. Anuj N. Rathi Group (which includes Mr. Anuj N. Rathi - 6.93%, Mr. Narayandas J. Rathi - 0.56%, Mrs. Archana A. Rathi - Nil, Anuj N. Rathi (HUF) - Nil, and NJR Finance Private Limited - Nil) from 'Promoter/Promoter Group' category to 'Public' category pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"). Subsequent to the year end, the Stock Exchanges have provided their no objection / approval for the aforesaid reclassification vide letter dated 4<sup>th</sup> April, 2025. Further, the Shareholders of the Holding Company have approved the aforesaid reclassification through an ordinary resolution passed by way of postal ballot mechanism on 24<sup>th</sup> May, 2025.
- b. The Board of Directors of the Holding Company at its meeting held on 29<sup>th</sup> May, 2025, accorded its approval for reclassification of Mr. Pradeep R. Rathi Group (which includes Mr. Pradeep R. Rathi - 4.36%, Mr. Rahul P. Rathi - 3.85% and Mrs. Subhadra P. Rathi - Nil) from 'Promoter/Promoter Group' category to 'Public' category pursuant to the provisions of Regulation 31A of SEBI Listing Regulations, 2015. Subsequent to the year end, the Stock Exchanges have provided their no objection / approval for the aforesaid reclassification vide letter dated 15<sup>th</sup> July, 2025. Further, the Holding Company is in the process of seeking approval of the Shareholders of the Holding Company for the aforesaid reclassification.
- c. Subsequent to the year end, the Board of Directors of the Holding Company at its meeting held on 29<sup>th</sup> May, 2025, approved appointment of Mr. Rajesh Balkrishna Rathi (DIN: 00018628) as the Chairman of the Board of Directors of the Holding Company effective from the close of business hours on 29<sup>th</sup> May, 2025. This appointment is in addition to his existing role as Managing Director of the Holding Company. This change follows the resignation of Mr. Pradeep Ramwilas Rathi (DIN: 00018577) from the position of Chairman and as a Non-Executive, Non-Independent Director of the Holding Company, which also became effective from the close of business hours on 29<sup>th</sup> May, 2025.
- d. Subsequent to the year end, the Holding Company has completed vesting of 86,489 options pursuant to Sudarshan Employee Stock Option Plan, 2018. The same was duly approved at the meeting of the Nomination and Remuneration Committee of the Holding Company held on 22<sup>nd</sup> April, 2025.

## Notes to the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

**59** In light of the recent opinion issued by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on "Consolidation of the financial statements of a section 8 company with the Sponsor Company.", the Holding Company has determined that it exercises control over its Section 8 companies, 'Sudarshan CSR Foundation' and 'Heubach Foundation'. Consequently, the financial statements of these Section 8 companies in the Group have been included in the consolidated financial statements, reflecting change in its consolidation status as compared to previous year. In addition, the Group has reviewed its presentation of segment information in line with the IFRS Interpretations Committee's Agenda Decision titled "Operating Segments – Disclosure of Revenues and Expenses for Reportable Segments". Based on this guidance, the Group has enhanced its segment disclosures to include segment-wise break-up of specified and material income and expense items. To ensure consistency and comparability, the corresponding figures for the year ended 31<sup>st</sup> March, 2024 have also been revised.

The above changes do not impact recognition and measurement of items in the financial statements, and, consequentially, there is no impact on total equity and/ or profit for the current or any of the earlier periods nor there is any material impact on presentation of the statement of cash flows. Considering the nature of changes, the management believes that they do not have any material impact on the balance sheet at the beginning of the comparative period and, therefore, there is no need for separate presentation of third balance sheet.

As per our report of even date attached

**For S R B C & COLLP**

Chartered Accountants  
ICAI Firm Registration Number:  
324982E/E300003

**per Huzefa Ginwala**

Partner  
Membership No.:111757

Place: Pune

Date : 25<sup>th</sup> July, 2025

For and on behalf of the Board of Directors of **Sudarshan Chemical Industries Limited**

**S. P. Navandar**

Independent Director &  
Audit Committee Chairperson  
DIN No. 02804964

**R.B. Rathi**

Chairman &  
Managing Director  
DIN No. 00018628

**Nilkanth Natu**

Chief Financial Officer  
ICAI Membership  
No.:108532

**Mandar Velankar**

Company Secretary  
ICSI Membership No.:14469

Place: Pune

Date : 25<sup>th</sup> July, 2025

## **SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

**Registered Office & Global Head Office:** 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India

**Tel No.:** 020 - 6828 1200 **Website:** www.sudarshan.com **Email:** shares@sudarshan.com

**CIN:** L24119PN1951PLC008409

### **NOTICE OF THE 74<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the 74<sup>th</sup> Annual General Meeting (“AGM”) of the Members of the Company will be held on **Monday, 29<sup>th</sup> September, 2025 at 4.00 p.m. (IST)** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India.

#### **ORDINARY BUSINESS:**

**1. Adoption of accounts - Ordinary Resolution:**

To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 together with the Report of the Board of Directors and the Auditors thereon.

**2. Declaration of Final Dividend on Equity Shares for FY 2024 - 25 - Ordinary Resolution:**

To declare a Final Dividend of ₹4.50/- per Equity Share of face value of ₹2.00/- each (225%) for the Financial Year ended 31<sup>st</sup> March 2025.

**3. To appoint a Director in place of Mr. Ashish Vij (DIN: 08140194), Wholetime Director, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment - Ordinary Resolution:**

#### **SPECIAL BUSINESS:**

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

**Ratification for payment of remuneration to Mrs. Ashwini Kedar Joshi, Cost Auditors for the FY 2025-26 to conduct Audit of Cost Records of the Company**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for the payment of ₹ 75,000/- (Rupees Seventy Five Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any, to the Company’s Cost Auditor, Mrs. Ashwini Kedar Joshi (Sole Proprietor), Cost Accountant, Pune, (Registration No. 102387), who was appointed by the Board of Directors of the Company based on the recommendation of the Audit Committee, for auditing cost records maintained for the FY 2025-26.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for the purpose of giving effect to this Resolution.”

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

**Appointment of Secretarial Auditor for a term of five consecutive years from FY 2025-26 to FY 2029-30**

“RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015), as amended, and Sections 179 and 204 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 and 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 as recommended by the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. J. B. Bhawe & Co., Company Secretaries (Peer Review Certificate Number – 1238/2021) (UIN: S1999MH025400 and Certificate of Practice No. 3068) as the Secretarial Auditor of the Company, to undertake audit of secretarial and related records and to furnish the Secretarial Audit Report for a term of five (5) consecutive financial years, commencing from FY 2025-26 till FY 2029-30.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as may be mutually agreed between the Board and the Secretarial Auditor from time to time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.”

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the Special Business to be transacted at the 74<sup>th</sup> Annual General Meeting (“AGM”), and statement of additional information as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), and as per Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India (“ICSI”) is annexed and forms an integral part of the Notice.
2. Ministry of Corporate Affairs (“MCA”) pursuant to the General Circular Nos. 14/2020 dated 8<sup>th</sup> April 2020, 17/2020 dated 13<sup>th</sup> April 2020, read with other relevant circulars issued in this regard, the latest being General Circular No. 09/2024 dated 19<sup>th</sup> September, 2024 (“MCA Circulars”) read with Circulars issued from time to time by Securities and Exchange Board of India (“SEBI”), the latest being General Circular No. SEBI/HO/CFD/CFDPOD-2/P/CIR/2024/133 dated 3<sup>rd</sup> October, 2024 (MCA circulars and SEBI Circulars hereinafter collectively referred to as “Circulars”) read with Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India and any other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), has allowed the Companies to conduct the AGM through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) until 30<sup>th</sup> September 2025. In accordance with the said Circulars and applicable provisions of the Act and SEBI Listing Regulations, 2015, the 74<sup>th</sup> AGM of the Company shall be conducted through VC / OAVM without physical presence of Members at common venue. National Securities Depository Limited (“NSDL”) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in the notes below and is also available on the website of the Company at <https://www.sudarshan.com/notices.php>.
3. As explained above, the AGM is being conducted through VC / OAVM, in compliance with the provisions of the Act and Rules made thereunder, SEBI Listing Regulations, 2015 and as per the abovementioned MCA and SEBI Circulars. In accordance with the Secretarial Standard – 2 issued by ICSI, read with clarification / guidance on applicability of Secretarial Standards – 1 and 2 issued from time to time, the proceedings of the AGM shall be deemed to be conducted at the Registered Office and Global Head Office of the Company which shall be deemed to be the venue of the AGM.

4. A member entitled to vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and proxy need not be a member of the Company. In terms of the MCA Circulars, as the AGM is to be conducted through VC / OAVM, and since physical attendance of member is dispensed with, there is no requirement of appointment of proxies. Therefore, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. In this Notice, the terms member(s) or shareholder(s) are used interchangeably.

**ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:**

In accordance with the above-mentioned Circulars issued by the MCA and SEBI from time to time, copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), including the Notice of AGM are being sent only in electronic mode to Members whose e-mail address is registered with the Company / Registrar and Transfer Agent, MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) ("RTA"/ "MUFG") or Depository Participant(s) ("DP"). The Company will not be dispatching physical copies of such statements and Notice of AGM to any member.

For members who have not received the notice due to change / non - registration of their email address with the Company / RTA / DP, they may do so by following the procedure given below:

**a) Process to be followed for one-time Registration of email id (for shares held in physical form or in electronic form) –**

- a) Visit the link: [https://web.in.mpms.mufig.com/EmailReg/Email\\_Register.html](https://web.in.mpms.mufig.com/EmailReg/Email_Register.html)
- b) Select the name of the Company from drop-down: Sudarshan Chemical Industries Limited
- c) Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form) / Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail id
- d) System will send One Time Password ('OTP') on mobile no. and e-mail id
- e) Enter OTP received on mobile no. and e-mail id and submit.

After successful submission of the e-mail address, NSDL will e-mail a copy of this Notice along with the e-Voting user ID and password. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1(A) below i.e., 'Login method for e-voting for individual shareholders holding securities in demat mode'. In case of any queries, Members may write to [shares@sudarshan.com](mailto:shares@sudarshan.com) or [evoting@nsdl.com](mailto:evoting@nsdl.com)

**b) Registration of email id permanently with Company / DP–**

Members are requested to register their e-mail address with their concerned DPs in respect of electronic holding. Members are requested to register their e-mail address with the Company/RTA in respect of physical holding, by visiting the link: <https://web.in.mpms.mufig.com/KYC-downloads.html> which provides further information about the registration process. Further, those Members who have already registered their e-mail addresses are requested to ensure that their e-mail ID is valid or in case of change, update the same with their DPs/RTA to enable service of notices/documents/Integrated Reports and other communications electronically to their e-mail address in future. In case of any queries/difficulties in registering the email address, Members may write to [shares@sudarshan.com](mailto:shares@sudarshan.com)

5. A copy of the Notice of this AGM along with Annual Report for the FY 2024-25, is available on the website of the Company at [www.sudarshan.com](http://www.sudarshan.com), on the website of Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). All the members whose names are recorded in the Register of Members or in the List of Beneficial Owners maintained by the depositories as on 29<sup>th</sup> August, 2025 will be considered for the purpose of sending the Notice of AGM and the Annual Report for FY2024-25. Further, a letter communicating the web-link, including the exact path, where complete details of the Annual Report are available is being sent to the shareholders who have not registered their email addresses with the company.

**PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:**

6. 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 below in the Notice for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General 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.
7. For convenience of the members and proper conduct of AGM, members can login and join at least 30 (thirty) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM. The facility of participation at the AGM through VC / OAVM will be made available on first come first serve basis. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, Chairman/Chairperson of the Committees of the Board of Directors, as applicable, etc. who are allowed to attend the AGM without the said restriction.
8. Members who need assistance before or during the AGM with use of technology, can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or use Toll free no.: 1800 1020 990 /1800 224 430; or contact Mr. Sagar Gudhate, Senior Manager, NSDL at the designated email ID: [evoting@nsdl.com](mailto:evoting@nsdl.com)
9. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case any Institutional Members, facing issues for participating in AGM can write to [shares@sudarshan.com](mailto:shares@sudarshan.com).
10. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
11. Pursuant to the abovementioned MCA Circulars, physical attendance of the members is not required at the AGM, and therefore members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**PROCEDURE FOR SPEAKER REGISTRATION, SUBMISSION OF QUESTIONS / QUERIES:**

12. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number, their queries / views / questions at [shares@sudarshan.com](mailto:shares@sudarshan.com).
13. Members holding shares as on the cut-off date i.e. Monday, 22<sup>nd</sup> September, 2025, and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by sending an email to [shares@sudarshan.com](mailto:shares@sudarshan.com) during Wednesday, 24<sup>th</sup> September, 2025 9.00 a.m. (IST) to Sunday, 28<sup>th</sup> September, 2025, 5.00 p.m. (IST). Those members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM.
14. Members can also express their views or post their questions during the AGM through a facility available in the VC / OAVM facility.
15. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
16. Pursuant to Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 (“Rules”), as amended, and in compliance with Regulation 44 of SEBI Listing Regulations, 2015, as amended, and the Circulars issued by MCA, the Company is pleased to provide voting by electronic means (“remote e-voting”) to the Members, to enable them to cast their votes electronically in respect of the business to be transacted at the AGM. For this the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL.

**The e-voting Event Number (“EVEN”) for this purpose is ‘136349’.**

17. The voting rights will be reckoned on the paid-up value of Equity Shares registered in the name of the members on Monday, 22<sup>nd</sup> September, 2025 (on close of business hours) (“Cut-off date”). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting.
18. The details of the process and manner for remote e-voting are explained herein 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
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<ol style="list-style-type: none"> <li>1. For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. 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.</li> <li>2. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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.</li> <li>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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</li> </ol>

	<p>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.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <p style="text-align: center;">  App Store      Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing myeasi username &amp; password.</li> <li>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. 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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
<p><b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b></p>	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>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.</li> <li>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.</li> </ol>

**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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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 136349 then user ID is 136349001***

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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) 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 the General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join the 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.

**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 EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not cast 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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/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" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join 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 Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (shares@sudarshan.com). The same will be replied by the company suitably.

**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 karunakaran2004@yahoo.com with a copy marked to evoting@nsdl.com 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 and 022 - 2499 7000 or send a request to Mr. Sagar Gudhate, Senior Manager, NSDL at www.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 shares@sudarshan.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 shares@sudarshan.com. If you are an Individual shareholder 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.

- i. The voting rights of members shall be in proportion to their shares of the paid-up Equity Share capital of the Company as on Monday, 22<sup>nd</sup> September, 2025, and who continue to hold the shares as on the date of 74<sup>th</sup> AGM will be entitled to vote at the AGM.
- ii. The notice of the 74<sup>th</sup> AGM is being sent to all members who are holding shares as on Friday, 29<sup>th</sup> August, 2025.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the Friday, 29<sup>th</sup> August 2025, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/ RTA.

However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 2244 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of Friday, 29<sup>th</sup> August, 2025, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

The Cut-off Date for determining the eligibility of Members for voting through remote e-voting and e-voting at the AGM is Monday, 22<sup>nd</sup> September, 2025. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at **9.00 a.m. (IST) on Wednesday, 24<sup>th</sup> September, 2025 and will end at 5.00 p.m. (IST) on Sunday, 28<sup>th</sup> September, 2025.**

The remote e-voting module shall be disabled for voting thereafter.

In addition, the e-voting window shall be activated upon instruction of the Chairman of the meeting during the AGM. The e-voting during the AGM is integrated with the VC / OAVM platform and therefore no separate login is required.

Members attending the AGM who have not cast their vote by remote e-voting and are otherwise not barred from doing so shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.

- iii. Mr. Rajesh Karunakaran, Practicing Company Secretary, Pune, (Membership No. FCS 7441 & CP No. 6581) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall after the conclusion of remote e-voting, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of voting forthwith.

The Results declared along with a Scrutinizer's Report will be placed on the Company's website at [www.sudarshan.com](http://www.sudarshan.com) and on the website of NSDL at [www.nsdl.com](http://www.nsdl.com) immediately after the result is declared by the Chairman or a person authorised by him and simultaneously be forwarded to the Stock Exchanges viz. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The results will be announced within the time stipulated under the applicable laws.

20. (a) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Monday, 22<sup>nd</sup> September, 2025, i.e. the Record Date will be paid the Final Dividend for the financial year ended 31<sup>st</sup> March 2025, as recommended by the Board, if approved at the AGM.
- (b) Pursuant to Section 125 of the Companies Act, 2013, and Rules made thereunder, as amended, all unclaimed dividends for the Final Dividend relating to FY 2016-17 and Interim Dividend relating to FY 2017-18 and the underlying shares have been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Unclaimed dividends for subsequent years will also be transferred to the IEPF if they remain unclaimed for a period of seven consecutive years from the date they became due for payment.

Members can claim back such dividend and shares including all benefits accruing on such shares from IEPF Authority by following the procedure prescribed in the Rules i.e., by making an online application in the prescribed Form IEPF-5 and sending the physical copy of the same, duly signed (as per the specimen signature recorded with the Company), along with requisite documents enumerated in the Form IEPF-5, to the Nodal Officer of the Company. For more information relating to unpaid/unclaimed dividend, members are requested to refer to the Shareholders Information section forming part of this Annual Report.

- (c) In terms of SEBI Listing Regulations, 2015, the Company has opened a demat account by name “Sudarshan Chemical Industries Limited Unclaimed Shares Suspense Account” with Axis Bank Limited, Tilak Bhavan, 486, Sadashiv Peth, Lal Bahadur Shastri Road, Pune-411030, Maharashtra, India, and has transferred to the said account unclaimed shares on behalf of various shareholders who have not collected their sub-divided and bonus shares till date. In case any member approaches the Company for the collection of his / her unclaimed shares, then in such an event, the Company will approach Axis Bank Limited, Pune for release of his / her shares subject to completion of necessary documentation.
- (d) It may be in the interest of Members to hold securities in joint names.
- (e) As per Regulation 40 of SEBI Listing Regulations, 2015, as amended, securities of the listed entity can be transferred only in dematerialized form with effect from 1<sup>st</sup> April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares members holding shares in the physical form are therefore requested to dematerialize their shares in their own interest.
- (f) Members are advised to update their PAN, KYC (Address, Email ID, Mobile Number, Bank Account Details, Specimen Signature, etc.) and Nomination details, as per SEBI Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May, 2024 and SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10<sup>th</sup> June, 2024.
- (i) Members holding shares in physical form: to the Company’s RTA, in prescribed Form ISR - 1 and other forms as per instructions mentioned in the form. The Company has already sent requisite communication to the Members for furnishing these details. The formats can be downloaded from RTA’s website <https://web.in.mpms.mufig.com/KYC-downloads.html> and such formats are also available on the Company’s website at [www.sudarshan.com](http://www.sudarshan.com).
- (ii) Members who hold the shares in the dematerialized form and want to change / correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. The Company, in case of such dematerialized shares, will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, the Registrar is obliged to use only the data provided by the Depositories.
- (h) Members who wish to dematerialize the shares or seek any information regarding transfer of shares are requested to contact the Company’s Registrar and Share Transfer Agents at the following address :
- MUFG Intime India Private Limited  
(formerly known as Link Intime India Private Limited)  
“Akshay Complex”, Block No. 202, 2<sup>nd</sup> Floor, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001, Maharashtra  
Tel. No. 020-2616 0084, 020-2616 1629  
Tele fax: 020-2616 3503  
E-mail: [pune@in.mpms.mufig.com](mailto:pune@in.mpms.mufig.com) Website: [www.mpms.mufig.com](http://www.mpms.mufig.com)
- The Company has designated e-mail address - [shares@sudarshan.com](mailto:shares@sudarshan.com) and [grievance.redressal@sudarshan.com](mailto:grievance.redressal@sudarshan.com) for timely action on investor complaints. Members are requested to forward their complaints, if any, at the designated e-mail address.
- (i) Members holding shares under different folios may approach the Company for consolidation of ledger folios into one folio.
- (j) Members are requested to intimate changes if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Numbers (PAN), mandates, nominations, power of attorney, bank details etc.
- (i) For shares held in electronic form: to their respective Depository Participants (DPs);
- (ii) For shares held in physical form: to the Company / RTA, in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November, 2021.
- (k) ‘SWAYAM’ is a secure, user-friendly web-based application, developed by MUFG Intime India Private Limited, our RTA, that empowers Members to effortlessly access various services. We request you to get registered and have first-hand experience of the portal. This application can be accessed at <https://swayam.in.mpms.mufig.com/>. For effective resolution of Service Requests i.e. Generate and Track Service Requests/Complaints can be done through SWAYAM.

- (l) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022, has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of Duplicate Share Certificates/Letter of Confirmation, claim from Unclaimed Suspense Account of the Company, renewal/exchange of securities certificate, endorsement; subdivision/splitting of securities certificate, consolidation of securities certificates/ folios, transmission, transposition etc. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request shall be processed only after the folio is KYC compliant. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. The member may contact the Company / RTA for assistance in this respect. It may be noted that any service request can be processed only after the folio is KYC Compliant.
- (m) As mentioned above, transfer of securities in physical mode was discontinued effective 1<sup>st</sup> April, 2019, however, to facilitate ease of investing for investors and to secure their rights in the securities purchased, and pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2<sup>nd</sup> July 2025, the shareholders are hereby informed that a Special Window has been opened only for re-lodgement of transfer deeds which were lodged prior to the deadline of 1<sup>st</sup> April, 2019 and rejected / returned / not attended, due to deficiency in the documents / process or otherwise. The re-lodgement window has been opened by the Company, and it shall remain open for a period of six months, i.e., till 6<sup>th</sup> January, 2026. During this period, any securities re-lodged for transfer including those currently pending with the Company shall be processed and issued only in dematerialised form, subject to verification and approval of all documents by the Company's RTA.
- (n) Shareholders who have missed the earlier deadline of 31<sup>st</sup> March, 2021 are encouraged to take advantage of this opportunity by furnishing the necessary documents to the Company's RTA at their office at Akshay Complex, Block No. 202, 2nd Floor, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001, Maharashtra.
- (o) Members are also informed that pursuant to Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31<sup>st</sup> July, 2023, read with a Corrigendum No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated 4<sup>th</sup> August, 2023, Master Circular No. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/145 dated 31<sup>st</sup> July, 2023 (updated as on 11<sup>th</sup> August, 2023), and Master Circular No. SEBI/HO/OIAE/ OIAE\_IAD-3/P/CIR/2023/195 dated 20<sup>th</sup> December, 2023, SEBI has introduced an additional mechanism for investors to resolve their grievances by way of a common Online Dispute Resolution ("ODR") mechanism to facilitate the online resolution of all kinds of disputes arising in the Indian securities market. Members can access the SEBI Circulars on the website of SEBI at <https://www.sebi.gov.in/>.
- (p) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company or the RTA of any change in address or nominee, if any appointed, to notify demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the respective DPs and holdings should be verified from time to time.
- (q) Members desirous of getting any information about the accounts of the Company are requested to address their queries to the Company Secretary of the Company. Such requests should be received at least seven days before the date of the meeting, so that the information required can be readily made available at the meeting, to the best extent possible.
- (r) Members can avail of the nomination facility in respect of securities held by them in physical form as per Section 72 of the Companies Act, 2013, Rules made thereunder and SEBI Circular dated 3rd November 2021, and clarification Circular dated 14<sup>th</sup> December 2021. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 or Form ISR-3 (Declaration to Opt-out) duly filled into RTA. Members holding shares in the electronic form may contact their respective DP's. The Forms may be downloaded from the Company's website.
- (s) Details as required by Regulation 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standard -2 on General Meeting issued by ICSI in respect of the Director seeking appointment / re-appointment at this AGM form part of the Explanatory Statement annexed hereto.
- (t) During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, and relevant documents referred to in this Notice of AGM and Explanatory Statement and the Certificate from the Secretarial Auditor of the Company certifying that ESOP Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 shall be available for electronic inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com> and on the website of the Company, [www.sudarshan.com](http://www.sudarshan.com).

## DIVIDEND RELATED INFORMATION

- (u) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Monday, 22<sup>nd</sup> September, 2025, i.e. the Record Date will be paid the Final Dividend for the financial year ended 31<sup>st</sup> March, 2025, as recommended by the Board, if approved at the AGM, on or before 20<sup>th</sup> October, 2025. Effective 1<sup>st</sup> April, 2024, SEBI has mandated that the Shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA, MUFG Intime India Private Limited.
- (v) Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. All changes such as tax residential status, Permanent Account Number (PAN), email id, phone number etc. are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
- (w) SEBI, vide its circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021, and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated 14<sup>th</sup> December, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 16<sup>th</sup> March, 2023 read together with SEBI Master Circular bearing reference no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated 23<sup>rd</sup> June, 2025 (superseding Master Circular for RTAs dated 7<sup>th</sup> May, 2024) has directed as under:
- (x) A) It shall be mandatory for all shareholders holding physical securities in listed companies to furnish PAN, Choice of Nomination, Contact Details (Postal Address with PIN code and Mobile Number), Bank Account Details, and Specimen Signatures.
- (y) B) Any payment including dividend, interest or redemption payment in respect of such folios is permitted only through electronic mode w.e.f. 1<sup>st</sup> April, 2024, and such payment shall be made electronically only upon furnishing of PAN, KYC details by holders of physical securities.
- The relevant Forms for registering/changing KYC details and Nomination (Optional) viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 as well as the SEBI circulars are available on our website <https://www.sudarshan.com/> and RTA's <https://web.in.mpms.mufg.com/KYC-downloads.html>
- (aa) The shareholders holding shares in physical form are advised to forward requisite forms duly filled, signed and complete along with requisite supporting to our Registrar and Share Transfer Agent, MUFG Intime India Private Limited, either by post or courier at 202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune 411 001 (+91 20 26160084, email – [pune@in.mpms.mufg.com](mailto:pune@in.mpms.mufg.com)) at the earliest.
- (bb) Shareholders may note that the Income Tax Act, 1961 (Act), as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
- (cc) **For Resident shareholders**, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during FY 2025-26 provided PAN is registered by the Shareholder. If the shareholders do not have PAN / have not registered their valid PAN to their account, TDS would be deducted at 20% as per Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during FY 2025-26 does not exceed Rs. 10,000/-Please note that this includes the future dividends if any which may be declared by the Board in the FY 2025-26. Separately, in cases where the shareholder provides Form 15G (applicable to all individuals) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted. TDS will not be deducted, if the shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the Permanent Account Number (PAN) along with documentary evidence in relation to the same.

In order to provide exemption from withholding of tax, following organizations must provide a self-declaration as listed below:

- i. Insurance companies: Declaration stating the status of as “Insurance Company” and provisions of Section 194 of the Act are not applicable to them along with self-attested copy of registration certificate and PAN card.
  - ii. Government Bodies and Specified Corporations established under Central Act / Regulations, whose income is exempt from tax and Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income- tax Act, 1961 along with self-attested copy of registration documents and PAN card.
  - iii. Alternative Investment Fund (AIF) established in India: Declaration that the shareholder is eligible for exemption under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations, along with copy of self-attested registration documents and PAN card.
  - iv. New Pension System Trust: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
  - v. Other shareholders – Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
  - vi. Shareholders who have provided a valid certificate issued u/s. 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.
  - vii. Please also note that where tax is deductible under the provisions of the Act and the PAN of the shareholder is either not available or PAN available in records of the Company /Registrar and Share Transfer Agent ("RTA") is invalid / inoperative, tax shall be deducted at 20% as per section 206AA of the Act.
  - viii. Also, the shareholders are requested to ensure Aadhar Number is linked with PAN, as per the time lines prescribed. In case of failure of linking Aadhar Number with PAN within the prescribed timelines, PAN shall be considered as inoperative and, in such scenario, tax shall be deducted at higher rate of 20% as prescribed under the Act.
  - ix. All documents submitted by shareholders will be verified and the Company will consider the same while deducting the appropriate taxes in accordance with the provisions of the Income Tax Act, 1961.
- b) **For Non-resident shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of GDRs and FII/FPIs, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively plus applicable surcharge and cess on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
- i. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax Authorities;
  - ii. Copy of Tax Residency Certificate (“TRC”) (for the period April 2025 to March 2026) (refer format) obtained from the tax authorities of the country of which the shareholder is resident;
  - iii. Completed and digitally signed Self-declaration in Form 10F in electronic format submitted on Income Tax portal (refer format). Pursuant to Notification No. 03/2022 dated July 16, 2022 of the Central Board of Direct Tax ('CBDT'), it has been mandated for non-resident to issue Form 10F in electronic format (to be obtained through e- filing portal of income tax website) duly verified in manner as prescribed in the said Notification.
  - iv. Self-declaration (refer format) by the non-resident shareholder of meeting DTAA eligibility requirement (for the period April 2025 to March 2026) and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AA of the IT Act).
  - v. In case of Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
  - vi. Self-Declaration by the shareholder regarding the satisfaction of the Place of Effective Management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.

vii. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA) including meeting of all conditions laid down by DTAA.

viii. The above-mentioned formats are available on the website of the Company <https://www.sudarshan.com/notices.php>.

24. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on final dividend.

25. TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar:

As per Section 139AA of the Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of Section 206AA of the Act.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

The Company will check the PAN and Return status on the Bulk compliance functionality provided by the Govt and continue to deduct TDS at the appropriate rates.

#### **FOR SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY**

Shareholders holding ordinary shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under PAN will be considered on their entire holding in different accounts.

In terms of Rule 37BA of Income Tax Rules 1962, if final dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules. Accordingly, in order to enable us to determine the appropriate TDS/withholding tax rate applicable, we request you to provide these details and documents as mentioned above on or before Monday, 22<sup>nd</sup> September, 2025. No request in this regard would be accepted by the Company/RTA after the said date.

26. Kindly note that the aforementioned documents are required to be submitted on the RTA's portal at <https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html>. or through their web site [www.mpms.mufg.com](http://www.mpms.mufg.com) > Investor Services > Tax Exemption Registration > select "SUDARSHAN CHEMICAL INDUSTRIES LIMITED" and follow the registration process as guided therein or can be forwarded to [shares@sudarshan.com](mailto:shares@sudarshan.com) on or before Monday, 29<sup>th</sup> September, 2025 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained post Monday, 22<sup>nd</sup> September, 2025. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

27. We shall arrange to e-mail the soft copy of TDS certificate to you at your registered e-mail ID in accordance with the provisions of the Income Tax Act 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.

28. The Company vide its earlier separate e-mail communication had informed the Members regarding this change in the Income Tax Act, 1961 as well as the relevant procedure to be adopted by the Members to avail the applicable tax rate.

29. The Ministry of Corporate Affairs had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/claimed by the shareholder for a period of seven consecutive years shall be

transferred to the Investor Education and Protection Fund (“IEPF”) Authority. The IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. In terms of the said provisions, final dividend amount for the year ended 31<sup>st</sup> March, 2018 remaining unpaid/unclaimed for a period of seven consecutive years and corresponding shares related to such dividend, shall become due for transfer in September, 2025 to IEPF Fund. Hence, the Company urges all the shareholders to encash/ claim their respective dividend during the prescribed period. A list containing details of shareholders whose dividend and corresponding shares are liable to be transferred to IEPF Fund in September, 2025, as explained above, is available on the website of the Company. The Member(s) whose dividend/shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>.

30. Members are requested to contact MUFG Intime/Investor Service Department of the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company at [www.sudarshan.com](http://www.sudarshan.com).

By Order of the Board of Directors  
**For SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

**MANDAR VELANKAR**  
**GENERAL COUNSEL AND COMPANY SECRETARY**  
**Membership No.: ACS 14469**

Pune, 25<sup>th</sup> July, 2025  
Sudarshan Chemical Industries Limited Registered  
Office and Global Head Office:  
7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25  
Near PAN Card Club Road, Baner, Pune – 411 069,  
Maharashtra, India  
CIN : L24119PN1951PLC008409  
Website: [www.sudarshan.com](http://www.sudarshan.com)  
Email: [shares@sudarshan.com](mailto:shares@sudarshan.com)

**Explanatory statement pursuant to section 102 of the Companies Act, 2013**

**In conformity with the provisions of section 102 of the Companies Act, 2013, and statement of additional information as required under SEBI Listing Regulations, 2015, the following Explanatory statement sets out all material facts relating to the Ordinary Business / Special Business mentioned in the Notice and should be taken as forming part of the Notice.**

**ITEM NO. 4 OF THE NOTICE:**

The Board of Directors at their meeting held on 25<sup>th</sup> July, 2025, based on the recommendation of the Audit Committee, appointed Mrs. Ashwini Kedar Joshi (Sole Proprietor), Cost Accountant, Pune (Firm Registration No.: 102387) as Cost Auditor of the Company for auditing the cost records for the FY 2025-26 for its 'Specified Products', at a remuneration of ₹75,000/- (Rupees Seventy-Five Thousand only) plus applicable taxes thereon and reimbursement of out-of-pocket expenses. The proposed remuneration is commensurate with the proportion of turnover of 'Specified Products' to the total turnover of the Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, and Rules made thereunder, remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

The Board recommends the Ordinary Resolution set out in Item No. 4 of the notice, for the approval of members of the Company. None of the Directors or Key Managerial Personnel of the Company, or their respective relatives is in any way concerned or interested in the resolution set out in Item No. 4 of the Notice.

**ITEM NO. 5 OF THE NOTICE:**

In accordance with the provisions of Sections 179 and 204 and other applicable provisions of the Companies Act, 2013 ("Act"), read with Rule 8 of the Companies (Management and Administration) Rules, 2014 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act'), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

Furthermore, pursuant to recent amendments to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations, 2015'), as amended, every listed entity and its material Subsidiaries in India are required to conduct Secretarial Audit and annex the Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint an individual as a Secretarial Auditor or Secretarial Audit firm for a term of five (5) consecutive years or for two terms of five consecutive years, as the case may be, with shareholders' approval to be obtained at the Annual General Meeting.

Accordingly, upon receipt of consent and the eligibility letter confirming the eligibility and non-disqualification as per the criteria prescribed under the SEBI Listing Regulations, 2015, the Act, ICSI Auditing Standards and Companies Secretaries Act, 1980 and rules and regulations made thereunder, from Mr. Jayavant Bhavé, Proprietor, M/s J. B. Bhavé & Co., Company Secretaries, the Board of Directors at its meeting held on 25<sup>th</sup> July, 2025, has approved the appointment of M/s J. B. Bhavé & Co., Company Secretaries, (UIN: S1999MH025400, CP No. 3068) as the Secretarial Auditors of the Company for a period of five (5) consecutive years, commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members at the ensuing Annual General Meeting.

Furthermore, in terms of the amended regulations, M/s J. B. Bhavé & Co. has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. M/s J. B. Bhavé & Co. has confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest and has also furnished a declaration that they have not taken up any prohibited non-secretarial audit assignments for the Company and its subsidiary companies.

While recommending M/s J. B. Bhavé & Co. for appointment, the Board evaluated various factors before making a recommendation to the Members. M/s. J B Bhavé & Co, Practising Company Secretaries, is based at Pune in the State of Maharashtra, India providing premium and effective secretarial, legal and business solutions through a team of professionals. Mr. Bhavé has more than 30 years of experience in the corporate legal field and serves large and diverse client base from manufacturing, engineering, information technology, pharmaceuticals, agriculture, investment consultancy etc. (listed as well as unlisted companies) including Companies which are in top 100, 500 and 1000 on the BSE Limited and National Stock Exchange of India Limited.

Mr. Bhavé has been empaneled as a Quality Reviewer by the Quality Review Board of The Institute of Company Secretaries of India (ICSI) to conduct quality reviews. Mr. Bhavé is also a visiting faculty at Pune Chapter of ICSI and many other forums.

The recommendation for the appointment of M/s. J B Bhavé & Co. as Secretarial Auditor is based on their past track record and capabilities in delivering quality secretarial audit services to the company and other companies of similar size and complexity.

The terms and conditions of the appointment of M/s. J. B. Bhavé & Co. include a tenure of five (5) consecutive years, commencing from FY 2025-26 till FY 2029-30 at a remuneration of ₹3,00,000/- (Rupees Three Lakhs only) for FY2025-26 and as may be mutually agreed between the Board and the Secretarial Auditors for subsequent years. Additional fees for statutory certifications and other professional services will be determined separately by the management, in consultation with M/s J. B. Bhavé & Co., Company Secretaries and will be subject to approval by the Board of Directors.

M/s. J. B. Bhavé & Co., Company Secretaries have been appointed as Secretarial Auditor of Heubach Colorants India Limited, a listed step down subsidiary of the company for a term of five consecutive years commencing from FY 2025-26 to FY 2029-30. Other than the appointment referred above, M/s. J. B. Bhavé & Co., Company Secretaries are not associated with any subsidiary or associate companies.

The Board recommends the Ordinary Resolution set out in Item No. 5 of the notice, for the approval of members of the Company. None of the Directors or Key Managerial Personnel of the Company, or their respective relatives is in any way concerned or interested in the resolution set out in Item No. 5 of the Notice.

#### **ADDITIONAL INFORMATION ABOUT THE DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

**Details of Director seeking re-appointment at the Annual General Meeting as per Regulation 36 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India.**

Name of the Director	Mr. Ashish Vij
Director Identification Number (DIN)	08140194
Date of Birth (Age in years)	2 <sup>nd</sup> May, 1970 (55 Years)
Initial date of appointment on the Board	24 <sup>th</sup> May, 2018
Experience and Expertise and brief resume	Mr. Ashish Vij has completed his BE (Chemical) UDCT from Punjab University. He is a certified Six Sigma Black Belt and Lean Practitioner from Uniworld, USA and Breakthrough Management Group India.  He has also completed the Strategy Intervention Programme from the Strategy Academy of Mr. Ranjan Das (Strategy Prof. of IIMC). He has been associated with the Company for more than 15 years.
No. of Meetings of the Board attended during the year	Mr. Ashish Vij attended 9 (Nine) Meetings of the Board of Directors held during the FY 2024-25.
Listed entities in which the person holds the directorship and the Membership of Committees of the Board	(i) Directorships held in other listed companies – Nil  (ii) Memberships and Chairmanships held in other listed companies – Nil

	(iii) Memberships and Chairmanships held in the Company: 1. Risk Management Committee – Member 2. Stakeholders' Relationship Committee – Member 3. Corporate Social Responsibility Committee – Member
Listed Entities from which person has resigned during past 3 years	None
No. of shares held in the Company including shareholding as a beneficial owner	4,151 Equity Shares (0.01%) (Mr. Vij is holding 4,001 Equity Shares i.e. 0.01% in the individual capacity)
Disclosure of relationship between Directors and Key Managerial Personnel of the Company	Mr. Ashish Vij is not related to any Director(s) / KMPs of the Company
Terms & Conditions of appointment / re-appointment	Re-appointment upon retirement by rotation
Details of remuneration sought to be paid	The overall remuneration payable to Mr. Ashish Vij shall be in accordance with the approval given by the Members of the Company and within the limits prescribed under Companies Act, 2013 and SEBI Listing Regulations, 2015.
Details of remuneration last drawn	Please refer Report on Corporate Governance forming part of the Annual Report for FY 2024-25.

By Order of the Board of Directors  
**For SUDARSHAN CHEMICAL INDUSTRIES LIMITED**

**MANDAR VELANKAR**  
**GENERAL COUNSEL AND COMPANY SECRETARY**  
Membership No.: ACS 14469

Pune, 25<sup>th</sup> July, 2025  
Sudarshan Chemical Industries Limited Registered  
Office and Global Head Office:  
7th Floor, Eleven West Panchshil, Survey No. 25  
Near PAN Card Club Road, Baner, Pune – 411 069  
Maharashtra, India  
CIN : L24119PN1951PLC008409  
Website: www.sudarshan.com  
Email: shares@sudarshan.com