ULTRAMARINE SPECIALTY CHEMICALS LIMITED

FINANCIALS FY 2025 – 26

Ultramarine Specialty Chemicals Limited
Balance Sheet as at 31st March, 2026

₹ in Lakhs

S. No	Particulars	Note No	As at 31st March, 2026	As at 31st March, 2025
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	4	15,308.16	13,001.03
	(b) Capital work in progress	4	1,013.25	1,399.22
	(c) Other Intangible Assets	5	3.43	4.08
	(d) Financial Assets			
	(i) Investments		-	-
	(ii) Loans		-	-
	(iii) Other financial assets	6	50.32	39.32
	(e) Deferred tax asset	7	-	-
	(f) Other non-current assets	8	30.59	174.46
			16,405.75	14,618.11
(2)	**Current assets**			
	(a) Inventories	9	1,946.31	1,328.23
	(b) Financial Assets			
	(i) Investments	10	-	757.77
	(ii) Trade receivables	11	938.21	390.19
	(iii) Cash and cash equivalents	12	4.87	343.80
	(iv) Bank balances other than cash and cash equivalents		-	-
	(v) Loans	13	-	0.10
	(vi) Other financial assets	14	21.98	4.53
	(c) Current Tax Assets (Net)		-	-
	(d) Other current assets	15	955.76	896.04
			3,867.13	3,720.66
	Total Assets		20,272.88	18,338.77
	EQUITY AND LIABILITIES			
	Equity			
	(a)Equity Share capital	16	4,708.33	4,708.33
	(b)Other Equity	17	2,537.63	1,678.42
			7,245.96	6,386.75
	LIABILITIES			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	8,793.41	9,579.92
	(ii) Lease liabilities		-	-
	(iii) Other financial liabilities	19	100.88	161.85
	(b) Provisions	20	8.27	5.71
	(c) Deferred tax liabilities (net)	7	491.34	258.34
			9,393.90	10,005.82
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	21	2,330.14	1,137.96
	(ii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	22	135.92	32.51
	Total outstanding dues of creditors other than micro enterprises and small enterprises		846.10	465.18
	(iii) Lease liabilities		-	-
	(iv) Other financial liabilities	23	238.87	103.95
	(b) Other current liabilities	24	75.62	201.72
	(c) Provisions	25	6.37	4.89
			3,633.02	1,946.21
	Total Equity and Liabilities		20,272.88	18,338.77

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

R. Nagendra Prasad
Partner
Membership No.203377
Place: Chennai
Date: 18th May 2026

For and on behalf of Board of Directors

Tara Parthasarathy
Director
DIN :07121058

V Bharathram
Director
DIN : 08444583

Anil Sharma
Chief Financial Officer

S. Ramanan
Company Secretary

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Ultramarine Specialty Chemicals Limited
Statement of Profit and Loss for the year ended 31st March, 2026

₹ in Lakhs

S. No	Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March 2025
I	Revenue From Operations	26	7,417.44	5,407.20
II	Other Income	27	73.82	112.39
III	**Total Income (I+II)**		7,491.26	5,519.59
IV	**EXPENSES**			
	Cost of materials consumed	28	2,205.58	1,662.99
	Changes in Inventories of Finished goods and work-in-progress	29	(195.75)	(223.47)
	Power and Fuel	30	909.33	700.81
	Employee benefits expense	31	483.39	426.64
	Finance costs	32	719.33	426.94
	Depreciation and amortization expense	4	828.28	723.20
	Other expenses	33	1,453.99	1,135.47
	Total expenses (IV)		6,404.15	4,852.58
V	**Profit before exceptional items (III-IV)**		1,087.11	667.00
VI	**Exceptional items**		-	-
VII	**Profit before tax (V+VI)**		1,087.11	667.00
VIII	**Tax expense:**			
	(1) Current tax	36	(4.60)	(0.29)
	(2) Deferred tax	36	(231.33)	(112.10)
	(3) Income tax expense relating to prior years		-	-
IX	**Profit for the period (VII-VIII)**		851.18	554.62
X	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss		9.70	(20.59)
	A (ii) Income tax relating to items that will not be reclassified to profit or loss		(1.67)	-
	B (i) Items that will be reclassified to profit or loss		-	-
	B (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Total other comprehensive income (A (i - ii) + B(i - ii))**		8.03	(20.59)
XII	**Total comprehensive income for the period (IX + XI)**		859.21	534.02
XIII	Earnings per equity share of face value of ₹ 10 each			
	Weighted average number of shares for calculation of basic and diluted earnings per share	45	4,70,83,333	4,70,83,333
	(1) Basic	45	1.81	1.18
	(2) Diluted	45	1.81	1.18

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

R. Nagendra Prasad
Partner
Membership No.203377
Place: Chennai
Date: 18th May 2026

For and on behalf of Board of Directors

Tara Parthasarathy
Director
DIN :07121058

V Bharathram
Director
DIN : 08444583

Anil Sharma
Chief Financial Officer

S. Ramanan
Company Secretary

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Ultramarine Specialty Chemicals Limited
Statement of cash flows for the year ended 31st March, 2026

₹ in Lakhs

Sl.No.	Particulars	Year ended 31st March, 2026	For the year ended 31st March 2025
A	**Cash flow from Operating Activities**		
	Profit before tax / (loss)	**1,087.11**	667.00
	Adjustments for:		
	Finance Cost	**719.33**	426.94
	Depreciation and Amortisation Expenses	**828.28**	723.20
	Provision for Leave Encashment and Gratuity	**4.04**	0.97
	Net gains on sale of Investments	**(8.96)**	(1.14)
	Net gains arising on financial assets designated at FVTPL	**-**	(7.81)
	Remeasurement of defined benefit liabilities	**9.70**	(20.59)
	Loss on Assets discarded	**35.27**	34.13
	Interest income	**(0.06)**	-
	Net gains on Foreign Currency Transactions and Translation	**(4.56)**	0.53
	Operating Profit before Working Capital Changes	**2,670.15**	1,823.24
	Movements in Working Capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	**(618.08)**	(300.64)
	Trade receivables	**(543.33)**	66.96
	Current financial assets	**(17.35)**	4.31
	Other current assets	**(59.72)**	323.51
	Non Current financial assets	**(11.00)**	(6.26)
	Other Non-current assets	**2.39**	2.73
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade Payable	**381.54**	(68.40)
	Other Current Financial Liabilities	**(6.00)**	8.08
	Other Current Liabilities	**(126.09)**	168.82
	Other Non-Current Financial Liabilities	**(60.97)**	92.89
	Cash generated from operations	**1,611.54**	2,115.24
	Direct taxes paid (net)	**(5.02)**	(1.40)
	Net cash generated from / (used in) operating activities (A)	**1,606.52**	2,113.83
B	**Cash flows from investing activities**		
	Payment for property, plant and equipment (PPE) (including Capital work-in-progress and capital advances and interest capitalized)	**(2,398.81)**	(3,106.27)
	Purchase of current investments	**-**	(1,099.95)
	Interest income received	**0.06**	-
	Redemption of current investments	**766.73**	351.12
	Net cash (used in) Investing Activities (B)	**(1,632.02)**	(3,855.10)

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Ultramarine Specialty Chemicals Limited

Statement of cash flows for the year ended 31st March, 2026

₹ in Lakhs

Sl.No.	Particulars	Year ended 31st March, 2026	For the year ended 31st March 2025
C	**Cash flow from Financing Activities**		
	Proceeds from issue of preference shares to holding company	-	300.00
	Repayments of Borrowings - Holding Company	(264.88)	(272.94)
	Proceeds from Borrowings - Banks	1,250.00	3,000.00
	Repayments of Borrowings - Banks	(885.58)	(592.56)
	Proceeds / (Repayment) of working capital - a Bank	306.14	(80.96)
	Proceeds / (Repayment) of working capital from Holding Company	-	-
	Interest paid (net of interest capitalised ₹ 82.10 Lakhs (PY ₹ 120.35 Lakhs) included in Capital Work-In-Progress)	(719.11)	(425.94)
	Net cash from / (used in) financing activities (C)	(313.43)	1,927.60
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	(338.93)	186.33
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Balances with banks in current accounts	343.60	157.36
	Cash on hand	0.20	0.11
	Add: Bank deposits	-	-
	CASH AND CASH EQUIVALENTS	343.80	157.47
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Balances with banks in current accounts	4.76	343.60
	Cash on hand	0.11	0.20
	Add: Bank deposits	-	-
	CASH AND CASH EQUIVALENTS AS PER NOTE No. 12	4.87	343.80

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

R. N. Prasad

R. Nagendra Prasad
Partner
Membership No.203377
Place: Chennai
Date: 18th May 2026

For and on behalf of Board of Directors

Tara Parthasarathy
Director
DIN :07121058

V Bharathram
Director
DIN : 08444583

Sharma

Anil Sharma
Chief Financial Officer

S. Ramanan
Company Secretary

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Ultramarine Specialty Chemicals Limited
Statement of changes in equity for the year ended 31st March, 2026

I **Equity Share Capital**

	₹ in lakhs
Balance as at 01st April 2024	**4,708.33**
Changes in equity share capital due to prior period errors	-
Restated balance as at 1st April 2024	4,708.33
Changes in equity share capital during the year	
Balance as at 31st March 2025	**4,708.33**
Changes in equity share capital due to prior period errors	-
Restated balance as at 1st April 2025	4,708.33
Changes in equity share capital during the year	-
Balance as at 31st March 2026	**4,708.33**

II **Preference share capital**

₹ in lakhs

Type of Prefernce Share	**Non Cumulative Redeemable Preferential Shares**	**Non Cumulative Optionally Convertible Preferential Shares**
As at 1st April 2024	2,900.00	380.00
Changes in preference share capital during the year	350.00	-
Balance as at 31st March 2025	**3,250.00**	**380.00**
Changes in preference share capital during the year		-
Balance as at 31st March 2026	**3,250.00**	**380.00**

III **Other Equity**

₹ in Lakhs

Particulars	**Share application money pending allotment**	**Surplus**			**Items of Other comprehensive income (OCI)**	**Total Equity**
		General Reserve	**Securities Premium***	**Retained Earnings**		
As at 31st March 2024	50.00	-	466.67	679.06	(1.34)	1,194.39
Changes in equity share capital due to prior period errors	-	-		-	-	-
Restated balance as at 1st April 2024	50.00	-	466.67	679.06	(1.34)	1,194.38
Changes in accounting policy or prior period errors						-
Profit for the year ending 31st March, 2025	-	-	-	554.62	-	554.62
Other Comprehensive Income						-
- Remeasurement of Defined Benefit Plan (Net of Taxes)	-	-	-	-	(20.59)	(20.59)
Total comprehensive income for the Period	-	-	-	-	-	-
	-	-	-		(20.59)	(20.59)
	-	-	-	554.62	(20.59)	534.04
Share Application Money received during the year	300.00	-	-	-		300.00
Share Application Money transferred to share capital	(350.00)	-	-	-	-	(350.00)
Appropriation				-	-	
Final dividend - 2024-25	-	-	-	-	-	-
Balance as at 31st March 2025	-	-	466.67	1,233.68	(21.93)	1,678.42
Changes in equity share capital due to prior period errors	-	-		-	-	-
Restated balance as at 1st April 2025	-	-	**466.67**	**1,233.68**	**(21.93)**	1,678.419
Changes in accounting policy or prior period errors						
Profit for the year ending 31st March 2026	-	-	-	**851.18**	-	851.182
Other Comprehensive Income						
- Remeasurement of Defined Benefit Plan (Net of Taxes)	-	-	-	-	8.03	8.028
Total comprehensive income for the Period	-	-	-			
	-	-	-	-	8.03	8.028
	-	-	-	**851.18**	8.03	859.21
Share Application Money received during the year	-	-	-		-	-
Share Application Money transferred to share capital	-	-	-	-	-	-
Appropriation						
Final dividend - 2025-26	-	-	-	-	-	-
Balance as at 31st March, 2026	-	-	466.67	2,084.86	(13.90)	2,537.63

***Note : Securities premium received on issue of 93,33,333 lakhs equity shares having face value of Rs.10/- each at premium of Rs.5 per share.**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

R. Nagendra Prasad
Partner
Membership No.203377
Place: Chennai

Date: 18th May 2026

For and on behalf of the Board of Directors

Tara Parthasarathy
Director
DIN :07121058

V Bharathram
Director
DIN : 08444583

Anil Sharma
Chief Financial Officer

S. Ramanan
Company Secretary

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

All amounts are in INR unless otherwise stated

1. **General Information**

Ultramarine Specialty Chemicals Limited (the 'Company') is a Public Limited Company domiciled in India, incorporated under the provisions of the Companies Act, 2013. applicable in India. The Company was incorporated with an objective of manufacturing and selling pigments. The registered office of the Company is located at No.556, Vanagaram Road, Ambattur, Chennai.

The financial statements were approved at the meeting of Board of directors held on May 18, 2026.

2. **Basis of preparation**

A. **Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's Material accounting policies are included in Note 3.

B. **Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

C. **Current and non-current classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

D. **Basis of measurement**

The financial statements have been prepared on a historical cost basis except for the following:
1.certain financial assets and liabilities that are measured at the fair value
2. Defined benefit plans – Plan assets measured at fair value.

E. **Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognized in the financial statements:

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Property, plant and equipment and Intangible assets
The Company has estimated the useful lives of each class of assets based on the nature of assets, the estimated usage of the assets, past history of replacement, anticipated technological changes, etc. Management believes that assigned useful lives are reasonable. The Company reviews the carrying amount of property, plant and equipment at the end of each balance sheet date. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. This re-assessment may result in change of depreciation expense in future periods.

Contingencies and Provisions
Management assesses and estimates the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2026 is included in the following notes:
- Note 35– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 36 - measurement of defined benefit obligations: key actuarial assumptions;

3. Material accounting policy information

3.1 Property, Plant, and Equipment: (PPE)
Initial Recognition

Company's Property, Plant and Equipment are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses if any. The cost of an item of Property, Plant and Equipment includes its purchase price (after deducting trade discounts and rebates), import duties and non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets on qualifying assets and asset retirement costs.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of Property, Plant and Equipment.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the Statement of Profit or Loss.

Subsequent expenditure:
Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and expenditure meet the recognition criteria.

Depreciation methods, estimated useful lives and residual value:
Depreciation on property, plant and equipment is provided using the straight-line method based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the property, plant and equipment have been determined by the Management based on the technical assessment/evaluation:

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Category of property, plant and Equipment	Useful Life in Years	
	As per Schedule II	As per Company's Assessment
Building	3 – 30	5 - 30
Furniture	10	1 - 10
Office equipment	5	1 - 5
Plant & Equipment	12 – 40	5 - 20
R&D Lab equipment	10	2 - 10
Computer Equipment	3 – 6	3

Individual assets costing less than ₹ 10,000/- are fully depreciated in the year of purchase.

Depreciation method, useful lives and residual values are reviewed at each Balance Sheet date and adjusted if appropriate, with the effect of changes in estimate of useful life of those assets being accounted on prospective basis. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Derecognition:

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

3.2 Intangible Assets:

Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Cost of separately acquired intangible assets includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use.

Subsequent measurement and Amortization

(i) Intangible assets are stated at cost less accumulated amortisation.
(ii) Intangible assets are amortised on a straight-line basis as under:
   a. Software costing up to ₹ 25,000/- is amortised out in the year of acquisition. Other Software other than ERP Licenses acquired is amortised over its estimated useful life of 3 years and
   b. ERP Licenses acquired is amortised over a period of 6 years;
   c. Intellectual Property is amortised over its estimated useful life of 2 years.

The estimated useful life of the intangible assets and the amortization period are reviewed at each Balance Sheet date, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition of intangible assets

An Intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is de-recognized.

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

3.3 Impairment of Tangible and Intangible assets

The Company assesses whether there is any indication that an asset may be impaired at each balance sheet date. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortized historical cost impaired earlier. Such reversal is recognized in the statement of profit or loss.

3.4 Foreign currency transactions and balances:

Initial recognition:
Foreign currency transactions (other than advance receipt or payment of foreign currency) are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss. The foreign currency transactions received or paid in advance are accounted at the date of receipt or payment of foreign currency.

Translation:
Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the statement of profit and loss

Non-monetary assets and liabilities which are carried at historical cost are not translated.

Forward exchange contracts entered into to hedge and manage foreign currency exposures relating to highly probable transactions or firm commitments are marked mark to market and resulting gains or losses are recorded in the statement of profit and loss.

3.5 Financial Instruments:
Recognition and initial measurement:
A financial asset or financial liability other than those items that are not at fair value through profit and loss (FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.

The trade receivables are recognized when right to consideration is established on transfer of control of goods and services and on fulfilment of performance obligation related to goods and services.

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement:

Financial assets:
On initial recognition, a financial asset is classified as measured at

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

- Amortised cost or
- Fair value through profit or Loss (FVTPL)

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

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

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

All financial assets that do not meet the criteria for measurement at amortized cost are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or are measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses:

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

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Derecognition:

Financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

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

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting:

The Company holds derivative financial instruments to hedge its foreign currency risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

3.6 Inventories:

Inventories are valued on the principle laid down by Ind AS 2 "Inventories" on the basis given below:

Raw Materials, Stores & Spares (that are not capitalized), Fuel and Packing Material	Lower of cost (determined on weighted average basis) and net realizable value.
Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity

3.7 Cash and cash equivalents:

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

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3.8 Taxation:

Tax expense comprises of current and deferred tax charge or credit.

Current Tax:

Current Tax is determined as the amount of income tax payable to the taxation authorities in respect of taxable income for the period.

The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognized of the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit.

Where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized on assessment of reasonable certainty about realization of such assets.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3.9 Revenue

The Company's revenue was primarily comprised of sale of inorganic pigments & complex inorganic colour pigments.

Revenue is measured based on the transaction price after netting trade discounts, volume discounts, sales returns and goods and service tax excluding the estimates of variable consideration that is allocated to that performance obligation. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the goods / services rendered.

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Export benefits:
The benefit accrued under Remission of Duties and Taxes on Export Products (RoDTEP) Scheme, Duty Drawback Scheme as per the Export and Import Policy in respect of exports made under the said Schemes is accounted on an accrual basis and is included under the head "revenue from operations" as 'Export Incentives'. Export benefits available under prevalent schemes are recognized in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization/ realization of such duty credit.

Interest income:
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.

Sale of Scrap
Revenue from sale of scrap is recognized on sale.

3.10 Employee Benefits:

Defined contribution plans:
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and approved superannuation schemes which are defined contribution plans are recognized as an employee benefit expense and charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans:
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. An unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

Retirement and other employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentive, paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund and superannuation etc. recognized as actual amounts due in period in which the employee renders the related services.

(i) A retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the fund accrues. There are no obligations other than the contribution payable to the recognized Provident Fund.
(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has established a gratuity trust to provide gratuity benefit through annual contributions to a Gratuity trust which in turn

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contributes to Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.

(iii) 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 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 year-end.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions and the resultant actuarial gains/(losses) are recognized immediately in the statement of other comprehensive income.

3.11 Provisions, Contingent Liabilities and Contingent Assets:

Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. 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 recognized as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities are disclosed for: -

(i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

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Contingent assets:

Contingent assets are not recognized but disclosed in the financial statements, when an inflow of economic benefits is probable.

3.12 Borrowing costs:

Borrowing costs worked out are determined on effective interest rate, directly attributable to the acquisition, construction, or production of qualifying assets, that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing costs are recognized in profit and loss in the period in which they are incurred.

3.13 Earnings per share:

Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

3.14 Cash Flow Statement

The cash flow statement is prepared using "indirect method" set out in Ind AS 7 on "Cash Flow Statement" and presents the cash flows during the period by operating, investing and financing activities of the Company.

3.15 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Standalone Financial Statements.
Non Adjusting events after the Balance Sheet date which are material in size or nature are disclosed separately in the Standalone Financial Statements.

3.16 Segment Reporting

In accordance with Ind AS 108, Operating Segments, the company identified manufacturing of chemicals as the only reportable segment.

3.17 Note on Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.
In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025.

These amendments 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 require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

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

In August 2025, MCA notified the following amendments to:

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

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4 Property Plant and Equipment

₹ in Lakhs

Particulars	Land	Building	Plant & Machinery	Computer Equipments	Office Equipment	Furniture & Fixtures	Total	Capital Work-in progress
Balance as at 31-03-2024	1,585.49	2,950.72	5,839.69	25.99	8.81	67.64	10,478.34	2,705.28
Additions	-	1,279.22	2,752.43	13.81	26.79	79.82	4,152.07	
Disposals / Adjustments	-		(38.73)				(38.73)	
Balance as at 31-03-2025	1,585.49	4,229.94	8,553.39	39.80	35.60	147.46	14,591.68	1,399.22
Additions		1,155.54	2,008.37	3.94	11.41	27.13	3,206.39	
Disposals / Adjustments		(58.56)	(52.72)	-	-	(3.24)	(114.52)	
Balance as at 31-03-2026	1,585.49	5,326.92	10,509.04	43.74	47.01	171.35	17,683.55	1,013.25
Accumulated depreciation:								
Balance as at 31-03-2024	-	171.28	661.96	14.98	5.45	19.18	872.85	
Charge for the year	-	137.09	542.40	9.95	7.17	25.79	722.40	
Other Adjustments			(4.60)				(4.60)	
Balance as at 31-03-2025	-	308.37	1,199.76	24.93	12.62	44.97	1,590.65	
Charge for the year		168.06	633.81	5.30	7.29	13.16	827.62	
Other Adjustments		(25.36)	(16.36)			(1.16)	(42.88)	
Balance as at 31-03-2026	-	451.07	1,817.22	30.23	19.91	56.97	2,375.39	
Net carrying amount:								
As at 31-03-2025	1,585.49	3,921.57	7,353.63	14.87	22.98	102.49	13,001.03	
As at 31-03-2026	1,585.49	4,875.85	8,691.83	13.51	27.10	114.38	15,308.16	

Note:

(i) The Company acquired the land in the Industrial Park, Naidupet, Andhra Pradesh and is in possession of land and registered the sale agreement for the said land. In terms of policy, the company is entitled to use the land and right to offer the land as security. The company has already commenced commercial production during July, 2022. The title to the said land shall be registered in the name of the company subject to fulfilment of other terms and conditions.

(ii) Pari Passu first ranking charge by way of deposit of title deeds of freehold land having carrying cost of ₹972.24 Lakhs of the company situated at Plot No. 59A 14.59 Acres of Land in Industrial Estate, Menakur in favour of Axis Bank and HSBC Bank.

(iii) exclusive charge by way of deposit of title deeds of freehold land having carrying cost of ₹613.25 Lakhs of the company situated at Plot no 59 7.71 acres of land in industrial park Naidupeta, Menakur & Konetirajupalem Villages, Naidupeta Mandal, Tirupati District with HSBC Bank

(iii) Break up of capital work in progress

₹ in Lakhs

Particulars	31st March 2026	31st March 2025
Tangible Assets under Construction in the nature of :		
Land	-	-
Buildings	209.04	717.89
Plant & Machinery	787.63	588.79
Others	0.61	11.10
Project Expenditure - Direct		
Professional & Consultancy charges		13.83
Salaries & wages		
Travelling expesnes		
Finance cost (Net of capitalized)	15.97	67.61
Other direct expenses		
Total	1,013.25	1,399.22

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4.1 CWIP ageing schedule

F.Y. 2025-26 — ₹ in Lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Pigments	905.51	77.23	30.51	-	1,013.25
Projects temporarily suspended	-	-	-	-	-
Total	905.51	77.23	30.51	-	1,013.25

F.Y. 2024-25 — ₹ in Lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress: Pigments	1,166.91	227.61	4.70	-	1,399.22
Projects temporarily suspended	-	-	-	-	-
Total	1,166.91	227.61	4.70	-	1,399.22

4.2 CWIP,whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	-	-	-	-	-
Total	-	-	-	-	-

To be completed in				
Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
-	-	-	-	-
-	-	-	-	-

5 Other intangible assets

₹ in Lakhs

Particulars	Computer Software
Gross Block:	
Balance as at 01-04-2024	1.86
Additions	4.14
Disposals / Adjustments	
Balance as at 31-03-2025	6.00
Additions	-
Disposals / Adjustments	-
Balance as at 31-03-2026	6.00
Accumulated Amortisation:	
Balance as at 01-04-2024	1.13
Charge for the year	0.79
Other Adjustments	-
Balance as at 31-03-2025	1.92
Charge for the year	0.65
Other Adjustments	-
Balance as at 31-03-2026	2.57
Net carrying amount:	-
As at 31-03-2025	4.08
As at 31-03-2026	3.43

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₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
6	**Other Financial Assets - Non - Current**		
	Unsecured, Considered Good		
	-Security deposit	50.32	39.32
	Total	50.32	39.32

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
7	**Deferred tax liability (net)**		
	Deferred tax liability:		
	Depreciation	502.15	365.36
	Fair value gain on mutual funds	-	1.97
		502.15	367.33
	Deferred tax assets:		
	Unabsorbed business loss	-	-
	Unabsorbed depreciation	3.28	94.42
	Preliminary Expense u/s 35D	1.90	3.81
	Expense disallowed u/s 43B		
	- Gratuity	0.25	3.52
	- Bonus	2.87	2.69
	- Leave Encashment	2.51	1.82
	- Dues to MSME	-	2.73
		10.81	108.99
	Total	491.34	258.34

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
8	**Other Non - Current Assets**		
	Unsecured, Considered Good		
	Capital Advances	25.15	167.05
	Income taxes (Net)	3.66	3.25
	Prepaid expenses	1.78	4.16
	Total	30.59	174.46

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₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
9	**Inventories**		
	Raw materials and components	**566.09**	186.57
	Fuel	**1.38**	1.42
	Packing Material	**16.59**	19.73
	Stores & Spares	**90.87**	44.89
	Work in progress	**865.31**	750.21
	Finished goods	**266.53**	205.85
	Finished goods in Transit	**139.54**	119.56
	Total	**1,946.31**	1,328.23

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
10	**Investments**		
	Investment at fair value through Profit and Loss (FVTPL)		
	Unquoted units of Mutual Funds		
	Nil units(31 March 2025: 6195.40 units) of TATA Liquid Fund-Direct Growth	-	253.57
	Nil units (31 March 2025: 13,596.76 units) of DSP Liquidity Fund-Direct Growth	-	504.20
	Total	-	757.77

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₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
11	**Trade Receivables**		
	- Considered good - secured	-	-
	- Considered good - Unsecured	938.21	390.19
	- Having significant increase in Credit Risk	-	-
	- Credit impaired	-	-
		938.21	**390.19**
	Less: Provision for Expected Credit Loss	-	-
	Total	938.21	390.19

*Amount receivable from Holding Company Rs. NIL (As at 31st March 2025: ₹50.86 Lakhs)

Trade Receivables ageing schedule as at 31.03.2026

₹ in Lakhs

	Particulars	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables - considered good	858.53	79.68	-	-	-	938.21
(ii)	Undisputed Trade Receivables - significant increase in Credit Risk	-	-	-	-	-	-
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - significant increase in Credit Risk	-	-	-	-	-	-
	Total	858.53	79.68	-	-	-	938.21

Trade Receivables ageing schedule as at 31.03.2025

₹ in Lakhs

	Particulars	Not Due	Outstanding for following periods from no due date of payment: Less than 6 months	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables - considered good	344.38	45.81	-	-	-	390.19
(ii)	Undisputed Trade Receivables - significant increase in Credit Risk	-	-	-	-	-	-
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - significant increase in Credit Risk	-	-	-	-	-	-
	Total	344.38	45.81	-	-	-	390.19

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Ultramarine Specialty Chemicals Limited
Notes to Financial statements for the year ended 31st March, 2026

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
12	**Cash & cash equivalents**		
	Cash and cash equivalents		
	(i) Cash on hand	0.11	0.20
	(ii) Balances with banks		
	In current accounts	4.76	343.60
	Total	**4.87**	343.80

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
13	**Loans**		
	Loans & Advances to Employees		
	- Considered good - Unsecured	-	0.10
	Total	-	0.10

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
14	**Other Financial Assets - Current**		
	Interest accrued on Deposits	1.85	1.55
	Deposits for leased premises	1.39	1.31
	Balance with Gratuity Fund (Net)	18.74	1.67
	Total	**21.98**	4.53

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
15	**Other Current Assets**		
	Advances other than capital advances:		
	Balance with GST & Customs	707.33	785.95
	GST Refund Receivable on Exports	208.43	69.91
	Advance to suppliers	5.21	7.38
	Prepaid expenses	23.80	13.88
	Export incentives receivable - duty free scrips	10.99	18.92
	Total	**955.76**	896.04

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₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
16	**Share capital**		
	Authorised		
	5,20,00,000 (31st March 2025: 5,20,00,000) Equity Shares of ₹ 10/- each	**5,200.00**	5,200.00
	3,25,000 (31st March 2025- 3,25,000) Non Cumulative Redeemable Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	**3,250.00**	3,250.00
	38,000 (31st March 2025 : 38,000) Non Cumulative Convertible Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	**380.00**	380.00
		8,830.00	8,830.00
	Issued, subscribed and fully paid-up shares		
	4,70,83,333 (31st March 2025: 4,70,83,333) Equity Shares of ₹ 10/- each fully paid up.	4,708.33	4,708.33
	3,25,000 (31st March 2025- 3,25,000) Non Cumulative Redeemable Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	3,250.00	3,250.00
	38,000 (31st March 2025- 38,000) Non Cumulative Optionally Convertible Preference shares of ₹ 1,000/- each carrying coupon rate of 7.5%	380.00	380.00
		8,338.33	8,338.33
	Less: Reclassification of Preference Share Capital as Non Current Financial Liability (Refer Note 18)	(3,630.00)	(3,630.00)
	Total	**4,708.33**	4,708.33

16.1 Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorised share capital:

No. of shares

	Equity Shares of ₹ 10 each	Non Cumulative Redeemable Preference shares of ₹1,000/- each	Non Cumulative Optionally Convertible Preference shares of ₹1,000/- each
Balance as at 01st April 2024	**5,20,00,000**	**3,25,000**	**38,000**
Add / (Less): Changes during the year	-	-	-
Balance as at 31st March, 2025	**5,20,00,000**	**3,25,000**	**38,000**
Add / (Less): Changes during the year	-	-	-
Balance as at 31st March, 2026	**5,20,00,000**	**3,25,000**	**38,000**

Issued, Subscribed and Paid up share capital:

No. of shares

	Equity Shares of ₹ 10 each	Non Cumulative Redeemable Preference shares of ₹1,000/- each	Non Cumulative Optionally Convertible Preference shares of ₹1,000/- each
Balance as at 01st April 2024	**4,70,83,333**	**2,90,000**	**38,000**
Add / (Less): Changes during the year		35,000	-
Balance as at 31st March, 2025	4,70,83,333	3,25,000	38,000
Add / (Less): Changes during the year	-		-
Balance as at 31st March, 2026	**4,70,83,333**	**3,25,000**	**38,000**

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16.2 Terms/rights attached to Shares

(a) Equity Shares

(i) The Equity shares are having a par value of ₹ 10/- and each holder of equity shares is entiled to one vote per share.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be proportionate to the number of equity shares held by the share holders.

(b) Non Cumulative Redeemable Preference Shares (NCRPS)

(i) The Non Cumulative Redeemable Preference shares are having a par value of ₹ 1,000/-

(ii) The Holder of NCRPS shall be entitled to dividend of 7.5 % per annum (non cumulative) on the face value of NCRPS

(iii) Out of 3,25,000 Preference shares 2,25,000 shares are redeemable from FY 2027-28 (3 Yearly instalments) or such other period as may be agreed mutually. Balance 1,05,000 Preference shares are redeemable in such period as may be agreed mutually but not exceeding 20 years

(iv) The Company declares and pays dividends in Indian Rupees based on the profits available for distribution. The Board of Directors in their meeting held on 18th May 2026 proposed a final dividend of ₹ 75/- per Non cumulative redeemable preference share on the nominal value of ₹ 1,000/-each for the financial year ended March 31, 2026 and the proposal is subject to approval of shareholders at their meeting to be held on 20th July, 2026, if approved, would result in cash outflow of approximately ₹ 243.75 Lakhs.

(c) Non Cumulative Optionally Convertible Preference Shares (NCOCPS)

(i) The Non Cumulative Optionally Convertible Preference shares are having a par value of ₹ 1,000/-

(ii) The Holder of NCOCPS shall be entitled to dividend of 7.5 % per annum (non cumulative) on the face value of NCOCPS

(iii) The NCOCPS shall be redeemed or converted (as mutually agreed) after the Financial Year 2027-28 or such other period as may be agreed mutually between both the parties.

(iv) The Company declares and pays dividends in Indian Rupees based on the profits available for distribution. The Board of Directors in their meeting held on 18th May 2026 proposed a final dividend of ₹ 75/- per Non Cumulative Optionally Convertible Preference Shares on the nominal value of ₹ 1,000/-each for the financial year ended March 31, 2026 and the proposal is subject to approval of shareholders at their meeting to be held on 20th July, 2026, if approved, would result in cash outflow of approximately ₹ 28.50 Lakhs.

16.3 Details of shareholders holding more than 5% shares

Equity shares	Number of fully paid-up shares as on 31st March 26	Number of fully paid-up shares as on 31st Mar 25
Ultramarine & Pigments Limited - Holding Company As at 31st March, 2026- 100% (31st March 2025-100%)	**4,70,83,333**	4,70,83,333

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16.4 Details of shareholding of promoters

Promotor Name	As at 31st March 2026		As at 31st March 2025		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Equity shares					
Ultramarine & Pigments Limited - Holding Company	4,70,83,333	100%	4,70,83,333	100%	0%
Total	**4,70,83,333**	**100%**	**4,70,83,333**	**100%**	**0%**

Promotor Name	As at 31st March 2026		As at 31st March 2025		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Non Cumulative Redeemable Preference shares of ₹1,000/- each					
Ultramarine & Pigments Limited - Holding Company	3,25,000	100%	3,25,000	100%	0%
Total	**3,25,000**	**100%**	**3,25,000**	**100%**	**0%**

Promotor Name	As at 31st March 2026		As at 31st March 2025		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Non Cumulative Optionally Convertible Preference shares of ₹1,000/- each					
Ultramarine & Pigments Limited - Holding Company	38,000	100%	38,000	100%	0%
Total	**38,000**	**100%**	**38,000**	**100%**	**0%**

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
17	**Other Equity**		
	Share Application Money Pending allotment	-	-
	Securities Premium	466.67	466.67
	General reserve	-	-
	Retained Earnings	2,084.86	1,233.68
	Other Comprehensive Income - Remeasurement of defined benefit liabilities	(13.90)	(21.93)
	Total	**2,537.63**	1,678.42

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
18	**Borrowings - Non-current**		
	Secured		
	Term Loan from Banks (Refer note 18.1, 18.2 and 18.3)	6,265.60	5,901.19
	Less: Current maturity of borrowings	(1,662.50)	(873.08)
	Unsecured		
	Term loan from Holding Company (Refer note 18.4)	921.81	1,186.69
	Less: Current maturity of borrowings	(361.50)	(264.88)
	Financial Liabilities:		
	3,25,000 (3,25,000) 7.50% Non Cumulative Redeemable Preference Share capital (Refer note 18.5)	3,250.00	3,250.00
	38,000 (38,000) 7.50% Non Cumulative Optionally Convertible Preference Share capital (Refer note 18.6)	380.00	380.00
	Total	**8,793.41**	9,579.92

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18.1	Paripasu first ranking charge by way of deposit of title deeds of freehold land having carrying cost of ₹972.24 Lakhs of the company situated at Plot No. 59A 14.59 Acres of Land in Industrial Estate, Menakur in favour of Axis Bank and HSBC Bank.
18.2	The company has availed term loan of ₹ 2250 Lakhs from Axis Bank towards phase I of Pigment project, read with note 18.1, the loan is secured by hypothecation of movable fixed assets and current assets(both present and future) of the company and charge has been created for fixed and current assets. The loan carries interest rate at 3M Repo rate + 2.75% currently 8% p.a and has a moratorium period of 24 months and is repayable in 16 quarterly instalments beginning from November, 2023.
18.3	(i) The company availed term loan of ₹ 1525 Lakhs in various tranches from HSBC Bank towards MMO Project, read with note 18.1 The loan is secured by First Pari Passu charge on the plant and machinery of the company in the unit situated at, APIIC, Manakur village, Naidupeta town, Tirupati District and Second Pari Passu charge on the current assets of the Co. The loan carries interest rate of 3MT Bill + 1.78% currently 7.04% and has a moratorium period of 24 months and is repayable in 48 monthly instalments beginning from Sep,2024. (ii) The company further availed term loan of ₹ 3500 Lakhs in various tranches from HSBC Bank towards phase II of pigment project, read with note 19.1. The loan is secured by First Pari Passu charge on the plant and machinery of the company in the unit situated at, APIIC, Manakur village, Naidupeta town, Tirupati District and Second Pari Passu charge on the current assets of the Co and Exclusive charge of plant and machinery funded by HSBC for Phase II project and exclusive charge on Industrial property with extent of 7.71acres at Plot no 59, industrial park Naidupeta, Menakur & Konetirajupalem Villages, Naidupeta Mandal, Tirupati District . The loan carries interest rate of 3MT Bill + 1.55% currently 6.81% and has a moratorium period of 24 months and is repayable in 72 monthly instalments beginning from June,2026. (iii) The company has been sanctioned term loan of ₹ 2000 lakhs (term loan availed of ₹ 750 lakhs) from HSBC bank towards ETP project, read with note 18.1. The loan is secured by First Pari Passu charge on the fixed assets (movable) of the company in the unit situated at, APIIC, Manakur village, Naidupeta town, Tirupati District and Second Pari Passu charge on the current assets of the Co with Axis bank and Exclusive charge on fixed assets (movable) of plant and machinery funded by HSBC Naidupeta. The loan carries interest rate of 3MT Bill + 2.40% currently 7.64% and has a moratorium period of 12 months and is repayable in 12 quarterly instalments beginning from May, 2027.
18.4	The company has availed a term loan of ₹ 2,042 Lakhs out of sanctioned term loan of ₹ 2,042 Lakhs by the holding company, carrying interest rate in the range of 8.00% to 9.19% p.a with 2 years of moratorium from the last disbursement amount and is repayable in 16 quarterly instalments beginning from the month of March, 2024.
18.5	Non Cumulative Redeemable Preference Share capital (NCRPS) shall be entitled to dividend of 7.5 % per annum (non cumulative). Out of 3,25,000 Non Cumulative Redeemable Preference Share capital (NCRPS) 2,25,000 shares are redeemable from FY 2027-28 (3 Yearly instalments) or such other period as may be agreed mutually. Balance 1,05,000 Preference shares are redeemable in such period as may be agreed mutually but not exceeding 20 years Refer Note 16.2(b)
18.6	Non Cumulative Optionally Convertible Preference Share Capital (NCOCPS) shall be entitled to dividend of 7.5 % per annum (non cumulative). The NCOCPS shall be redeemed or converted (as mutually agreed) after financial year 2027-28 or such other period as may be agreed mutually between both the parties. Refer note 16.2(c)

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₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
19	**Other financial liabilities - Non Current**		
	Retention money payable	100.88	161.85
	Total	**100.88**	161.85

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
20	**Provisions - Non-current**		
	Provision for employee benefits	-	-
	Provision for gratuity	-	-
	Provision for compensated absences	8.27	5.71
	Total	**8.27**	5.71

₹ in Lakhs

S. No	Particulars	As at	
		31st March 2026	31st March 2025
21	**Borrowings - Current**		
	Secured		
	Term Loan from Banks - Current maturities of borrowings (Refer note 18)	1,662.50	873.08
	Working capital loan from a Bank (Refer Note 21.1 & 21.2)	306.14	-
	Unsecured		
	Term Loan from Holding Company - Current maturities of borrowings (Refer note 18.4)	361.50	264.88
	Working Capital - Bridge loan from holding company	-	-
	Total	**2,330.14**	1,137.96

21.1	The Company has availed credit facilities (both fund based and non-fund based) from a Bank (Axis Bank-Rs.100 Lakhs) and are secured by first charge on hypothecation of stocks (raw materials and finished goods) and book debts of the company (both present and future) and second charge on fixed assets including land and building.
21.2	The Company has also availed credit facilities (both fund based and non-fund based) from a Bank (HSBC Bank-Rs.500 Lakhs) and are secured by First Pari Passu charge on the current assets of the Co and Second Pari Passu charge on the plant and machinery of the company in the unit situated at, APIIC, Manakur village, Naidupeta town, Tirupati District

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₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
22	**Trade Payables**		
	Trade payables :		
	- Total outstanding dues of micro enterprises and small enterprises	135.92	32.51
	- Total outstanding dues of creditors other than micro enterprise and small enterprises	846.10	465.18
	Total	982.02	497.69
22.1	**Amounts payable to Holding Company ₹ 274.17 Lakhs (PY ₹ 148.36 Lakhs)**		
22.2	**MSME Creditors include Capital creditors of ₹ 102.83 Lakhs (PY ₹ 0.18 Lakhs)**		

₹ in Lakhs

	Particulars	Not Due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
22.3	Trade payables ageing schedule for the year ended 31st March 2026						
	(i) MSME	135.92	-	-	-	-	135.92
	(ii) Others	831.49	12.56	0.33	1.72	-	846.10
	(iii) Disputed dues - MSME	-	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-	-
	Total	967.41	12.56	0.33	1.72	-	982.02
22.4	Trade payables ageing schedule for the year ended 31st March 2025						
	(i) MSME	32.37	0.14	-	-	-	32.51
	(ii) Others	406.72	56.70	1.16	0.50	0.10	465.18
	(iii) Disputed dues - MSME	-	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-	-
	Total	439.09	56.84	1.16	0.50	0.10	497.69

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
23	**Other financial liabilities - Current**		
	Creditors for capital goods	143.20	45.59
	Interest payable on Term Loan	1.22	1.00
	Retention money payable	62.63	19.54
	Employees dues*	31.82	37.82
	Total	238.87	103.95

*** Amount includes ₹ 6.03 Lakhs (31st March 2025 ₹ 4.75 Lakhs) Payable to a Director**

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
24	**Other current liabilities**		
	Statutory Dues	33.76	33.43
	Revenue received in advance	33.73	164.98
	Other Liabilities	8.13	3.31
	Total	75.62	201.72

₹ in Lakhs

S. No	Particulars	As at 31st March 2026	As at 31st March 2025
25	**Short-term Provision**		
	For Employee benefits		
	Provision for compensated absences	6.37	4.89
	Total	6.37	4.89

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Ultramarine Specialty Chemicals Limited
Notes to Financial statements for the year ended 31st March, 2026

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
26	**Revenue From Operations**		
	a) Sale of Products		
	Sale of Manufactured Goods	7,356.51	5,364.08
	b) Other Operating Revenues		
	Export Incentives	60.93	43.12
	Total	**7,417.44**	5,407.20

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
26.1	**Disaggregate Revenue Information:**		
	Manufactured Goods		
	Pigments	7,356.51	5,364.08
		7,356.51	5,364.08

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
27	**Other Income**		
	A) Interest Income		
	Interest income earned on financial assets that are not designated as at FVTPL:		
	Interest on Deposit	2.12	1.72
	Interest on IT Refund	0.12	0.05
	B)Income earned on financial assets that are designated as at FVTPL:		
	Interest/Income earned on financial assets measured at FVTPL		
	Net gains/(loss) On Foreign Currency Transactions And Translation	62.37	34.25
	Net gains/(loss) arising on financial assets measured at FVTPL	-	7.81
	C)) Other non-operating Income (Net of expenses directly attributable to such income)		
	Sundry Balance Written Back	-	0.58
	Sundry Receipts	0.25	1.22
	Insurance claims received	-	65.62
	D) Other Gains And Losses		
	Net gains on sale of Investments	8.96	1.14
	Total	**73.82**	112.39

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ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Ultramarine Specialty Chemicals Limited
Notes to Financial statements for the year ended 31st March, 2026

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st Mar 2025
28	**Cost of materials consumed**		
	Opening stock of Raw Materials	186.57	106.79
	Add: Purchase of Materials	2,585.10	1,742.77
		2,771.67	1,849.56
	Less: Closing stock of Raw Materials	**566.09**	186.57
	Total	**2,205.58**	1,662.99

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
29	**Changes In Inventories Of Finished Goods, Stock-In-Trade And Work-In-Progress**		
	Inventories At The End Of The Year		
	Work-In-Progress	865.31	750.21
	Finished Goods including in transit	406.06	325.41
	Total	**1,271.37**	1,075.62
	Inventories At The Beginning Of The Year		
	Work-In-Progress	750.21	483.59
	Finished Goods including in transit	325.41	368.56
	Total	**1,075.62**	852.15
	Total	**(195.75)**	(223.47)

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
30	**Power & Fuel**		
	Power	262.56	189.25
	Fuel consumed (Refer Note 30.1)	646.77	511.56
		909.33	700.81

₹ in Lakhs

30.1	**The following Fuel consumed & expense incurred during the period of test & trials which were not included in the respective expenditure accounts.**		
	Fuel	11.38	13.06
	Total	**11.38**	13.06

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ULTRAMARINE SPECIALTY CHEMICALS LIMITED

Ultramarine Specialty Chemicals Limited
Notes to Financial statements for the year ended 31st March, 2026

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
31	**Employee Benefit Expense**		
	Salaries, Wages, Bonus And Other Benefits	379.10	343.16
	Directors' Remuneration	28.40	23.76
	Contribution To Provident Fund And Other Funds	26.51	27.05
	Gratuity	8.44	3.96
	Staff Welfare And Amenities	40.94	28.71
	Total	**483.39**	426.64

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
32	**Finance Cost**		
	Interest On Term Loans From Banks	433.95	424.13
	Interest On Term Loan From Holding Company	87.79	120.73
	Interest On Working Capital Loan	7.35	2.08
	Interest - Others	-	0.11
	Interest on income tax payments	0.09	0.24
	Interest on Preference Shares	272.25	-
		801.43	547.29
	Less: Transferred to Capital Work-in-Progress	(82.10)	(120.35)
	Total	**719.33**	426.94

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Ultramarine Specialty Chemicals Limited

Notes to Financial statements for the year ended 31st March, 2026

₹ in Lakhs

S. No	Particulars	For the year ended	
		31st March 2026	31st March 2025
33	**Other Expenses**		
	Consumption of Stores And Spares	100.31	93.18
	Packing Materials Consumed	67.63	52.29
	Technical Royalty Fee	184.01	137.31
	Payment to Contractors	356.37	259.37
	Repairs And Maintenance:		
	Machinery	261.61	143.01
	Buildings	9.37	2.94
	Others	7.23	5.31
	Laboratory Expenses	6.46	2.45
	Insurance	46.39	31.56
	Freight and Forwarding expenses	108.06	104.77
	Sitting fees to Directors	1.00	1.20
	Rent	4.01	2.71
	Rates & Taxes	17.19	24.56
	Books & Periodicals	2.00	3.72
	Printing & Stationery	3.37	2.79
	Travelling & Conveyence expenses	25.88	29.36
	Communication expenses	6.85	7.11
	Legal and Professional fees	77.79	99.21
	Bank charges	14.81	10.72
	Commission on Sales	22.62	25.11
	Corporate Social Responsibility Expenditure (Refer Note No. 46)	11.29	-
	Loss on assets Discarded	35.27	34.13
	Loss on sale of Assets	13.41	
	Advances Written off	-	10.54
	Less: Provision made in Earlier years	-	(10.54)
	Security expenses	30.70	28.66
	Miscellaneous expenses (Note (i) Below)	40.36	34.01
	Total	**1,453.99**	1,135.47
	(i) Payment to Auditors (included in miscellaneous expenses)		
	As Auditors		
	Audit Fees	4.00	4.00
	Tax audit fees	1.00	1.00
	Other services		
	- Limited Review	1.50	1.50
	- Certification Fees	1.50	1.00
	- Other Services	1.00	0.50
	Total	**9.00**	8.00

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34 Contingent liabilities and commitments (to the extent not provided for)

[A] Contingent Liabilities

Particulars	As at 31st Mar 2026	As at 31st March 2025
(i) Claims against the Company/disputed liabilities not acknowledged as debts in respect of labour disputes	-	-
(ii) Bank Guarantees issued and outstanding	36.95	36.95
(iii) Letter of Credit issued and outstanding	-	-

[B] Commitments

Particulars	As at 31st Mar 2026	As at 31st March 2025
(i) Property, Plant & Equipment - Estimated amount of contracts remaining to be executed on capital account and not provided for	464.35	960.87
Against which advance paid	25.15	167.04
(ii) Other Commitments - For Natural Gas procurement	429.20	439.68

35 Employee Benefits

[A] Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company are at rates specified in the rules of the schemes.

The company has recognised the following amounts in the statement of profit and loss:

₹ in Lakhs

Particulars	As at 31st Mar 2026	As at 31 March 2025
a. Contribution to Employees Provident Fund	20.39	18.95
	20.39	18.95

[B] Defined Benefit Plan

Gratuity (funded) is payable to all members at the rate of 15 days salary for each completed year of service.

1. Reconciliation of opening and closing balances of Gratuity obligation

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
a. Defined benefit obligation at the beginning of the year	24.96	5.51
b. Interest Cost	1.42	0.18
c. Current Service Cost	5.07	4.57
d. Benefits payments Due but unpaid	-	-
e. Past services cost	3.45	-
e. Benefits Paid from Fund	(9.35)	(5.91)
f. Benefits Paid from fund	-	-
g. Remeasurements - Financial assumptions and Experience adjustments	(9.87)	20.61
h. Defined benefit obligation at the end of the year	15.68	24.96

2. Reconciliation of opening and closing balances of fair value of plan assets

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
a. Fair Value of Plan Assets at the Begnінning of the year	26.63	11.45
b. Adjustment to Opening balance	-	-
c. Expected Return on Plan Assets	2.07	1.33
d. Contribution by the Employer	15.24	19.73
e. Benefits Paid from the funds	(9.35)	(5.91)
f. others	-	-
g. Remeasurements - Return on Assets	(0.17)	0.03
h. Fair Value of Plan Assets at the End of the year	34.42	26.63

3. Expenses recognised in the Statement of Profit and Loss in respect of gratuity benefits

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
a. Current Service Cost	5.07	4.57
b. Benefit Payments due but unpaid	-	-
c. Past service cost	3.45	-
d. Interest Cost	1.42	0.18
e. Expected retun on plan assets	(2.07)	(1.33)
f. Net Actuarial (Gain)/Loss	(9.70)	20.59
g. Total Expenses recognised in Statement of Profit and Loss	(1.83)	24.01

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ULTRAMARINE SPECIALTY CHEMICALS LIMITED

4. Amount recognised in the Balance Sheet

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
a. Present value of Benefit Obligation at the end of the year	15.68	24.96
b. Fair Value of Plan Assets at the End of the year	(34.42)	(26.63)
c. Funded Status Surplus / (Deficit)	-	-
d. Net Liability / (Asset) Recognised in the Balance sheet	(18.74)	(1.67)

5. Other Comprehensive Income (OCI)

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Remeasurements - Financial assumptions and Experience adjustments	(9.87)	20.62
Remeasurements - Return on Assets	0.17	(0.03)
Total actuarial (Gain)/Loss recognised in OCI	(9.70)	20.59

6. Description of plan assets

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
a. Government Bonds	-	-
b. Debt instruments & Corporate Bonds	-	-
c. Cash & Cash Equivalent	-	-
d. Insurance Fund	34.42	26.63
e. Total	34.42	26.63

7. Actuarial assumptions

Particulars	As at 31 March 2026	As at 31 March 2025
a. Discount Rate	7.80%	7.01%
b. Salary Escalation Rate	8.00%	8.00%
c. Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

8. Expected future cash flows as on:

₹ in Lakhs

Maturity Profile of Defined Benefit Obligations	As at 31 March 2026	As at 31 March 2025
Projected benefits payable in future years from the date of reporting		
1st following year	1.67	11.67
2nd following year	3.21	3.93
3rd following year	3.14	3.68
4th following year	2.90	2.87
5th following year	2.32	2.12
Years 6 to 11+	10.28	5.50

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9. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ in Lakhs

Particulars	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
Change in Present Value Obligation - Inc/ (Dec)	(0.61)	0.68	0.72	(0.67)
Variation in %	-3.94%	4.30%	4.59%	-4.29%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

These plans typically expose the Company to acturial risks such as : investment risk , interest risk , longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Longevity risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Salary risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

36 Tax Expense

[A] Amounts Recognised in Statement of Profit and Loss

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Current year	(4.60)	(0.29)
Short/Excess provision for earlier years	-	-
Current tax expense (A)	(4.60)	(0.29)
Origination and reversal of temporary differences	(231.33)	(112.10)
Deferred tax expense (B)	(231.33)	(112.10)
Tax expense recognised in the current statement (A) + (B)	(235.93)	(112.39)

[B] Reconciliation of effective Tax Rate

₹ in Lakhs

Particulars	Year ended 31st March 2026		Year ended 31st March 2025	
	%	Amount	%	Amount
Profit Before Tax		1087.11		667.00
Tax using the company's domestic tax rate - Current Year Tax Rate 17.16%	17.16%	186.55	17.16%	114.46
Less: Permanent differences				
Donations, Rates and Taxes and Provisions	0.18%	1.94	0.01%	0.05
Preference Dividend	4.30%	46.72		
Opening differences	0.00%	-	-0.43%	(2.84)
Different Tax rates	0.07%	0.72	0.11%	0.72
Less: Effect of Other Differences				
Interest capitalised for tax purposes				
Depreciation capitalised in books				
Total	21.70%	235.93	16.85%	112.39

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37 Financial instruments

A Valuation:

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

i) The fair value of investment in quoted Equity shares is measured at quoted price or NAV

ii) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

iii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date except advance received or paid.

iv) The fair value of the remaining financial instruments is determined using dicounted cash flow analysis.

B Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in Lakhs

PARTICULARS	As at 31st March, 2026		As at 31st March, 2025	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Financial assets at amortised cost:				
Non-current financial assets				
Loans	-	-	-	-
Other Financial Assets	-	-	-	-
Other Financial Assets - Security Deposit	50.32	50.32	39.32	39.32
Current financial assets				
Trade receivables	938.21	938.21	390.19	390.19
Cash and cash equivalents	4.87	4.87	343.80	343.80
Other bank balances	-	-	-	-
Loans	-	-	0.10	0.10
Other Financial Assets - Other Receivable	21.98	21.98	4.53	4.53
Total Financial Assets at Amortized Cost (A)	**1,015.38**	**1,015.38**	777.94	777.94
Financial assets measured at fair value through profit and loss:				
Current Financial Assets				
Investments in unquoted instruments (Mutual Funds) at FVTPL	-	-	757.77	757.77
Total financial assets at fair value through profit and loss (B)	-	-	757.77	757.77
Total financial assets (A+B)	**1,015.37**	**1,015.37**	1,535.71	1,535.71
Financial liabilities held at amortised cost:				
Non - Current financial liabilities				
Borrowings - Term Loan From a Bank	4,603.10	4,603.10	5,028.10	5,028.10
Borrowings - Term Loan From Holding Company	560.31	560.31	921.81	921.81
7.50% Non Cumulative Redeemable Preference Share capital	3,250.00	3,250.00	3,250.00	3,250.00
7.50% Non Cumulative Optionally Convertible Preference Share capital	380.00	380.00	380.00	380.00
Other financial liabilities	100.88	100.88	161.85	161.85
	8,894.29	**8,894.29**	9,741.76	9,741.76
Current financial liabilities				
Borrowings - Current Maturities of Bank	1,662.50	1,662.50	873.08	873.08
Borrowings - Current Maturities of Holding Company	361.50	361.50	264.88	264.88
Working capital loan from Bank	306.14	306.14	-	-
Bridge loan from holding company	-	-	-	-
Trade payables	982.02	982.02	497.69	497.69
Other financial liabilities	238.87	238.87	103.95	103.95
	3,551.03	**3,551.02**	1,739.60	1,739.60
Total financial liabilities carried at amortised cost	**12,445.33**	**12,445.32**	11,481.36	11,481.36

C Fair Value Hierarchy

Level wise disclosure of Financial Instruments

The financial instruments are categorised into Three levels based on the inputs used to arrive at fair value measurements as described below:

i) Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

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

The Company's policy is to recongise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

FINANCIAL ASSETS/FINANCIAL LIABILITIES	FAIR VALUE AS AT		FAIR VALUE HIERARCHY	VALUATION TECHNIQUES & KEY INPUTS USED
	31.03.2026	31.03.2025		
Investments in unquoted instruments (Mutual Funds) at FVTPL	-	757.77	Level 1	Measured at Quoted price or NAV.
Borrowings Including Current Borrowings	7,493.56	7,087.87	Level 2	Amortized Cost
7.50% Non Cumulative Redeemable Preference Share capital	3,250.00	3,250.00	Level 3	Amortized Cost
7.50% Non Cumulative Optionally Convertible Preference Share capital	380.00	380.00	Level 3	Amortized Cost

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38 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

-Credit risk
-Liquidity risk
-Market risk
-Interest rate risk

Risk management framework

The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environmnet and to mitigate potential adverse effects on the financial performance of the company.

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. The Company establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instuments covered below is restricted to their respective carrying amount.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

However, there is no provision considered necessary as there was no overdue outstanding receivables as on 31st March 2026.

Ageing of Trade receivables

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Not due	858.53	344.38
0-3 months	79.68	45.81
3-6 months	-	-
6 months to 12 months	-	-
beyond 12 months	-	-
Allowance for doubtful trade receivables (Expected credit loss allowance)	-	-
Total	**938.21**	390.19

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	31st March 2026	31st March 2025
No of Customers who owed more than 10% of the Total receivables	2	3
Contribution of Customers in owing more than 10% of Total receivables	49.24%	42.73%

Cash and cash equivalents

The Company held cash and cash equivalents of ₹4.87 Lakhs as at 31st March, 2026 (31st March, 2025: ₹ 343.80 Lakhs). The cash and cash equivalents are held with banks.

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by monitoring forecast and actual cash flows, maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

Exposure to liquidity risk

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
	Carrying amount - Contractual cash flows		Carrying amount - Contractual cash flows	
	Upto 1 year	More than 1 year	Upto 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	2,330.14	5,163.42	1,137.96	5,949.92
7.50% Non Cumulative Redeemable Preference Share capital	-	3,250.00	-	3,250.00
7.50% Non Cumulative Optionally Convertible Preference Share capital	-	380.00	-	380.00
Trade and other payables	982.02	-	497.69	-
Other financial liabilities	238.87	100.88	103.95	161.85
Total non-derivative financial liabilities	**3,551.03**	**8,894.30**	1,739.60	9,741.77

C Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices . Such changes in values of financial instruments may result from changes in foreign currency exchange rates, credit , liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

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(a) Foreign Currency Exchange Rate Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.

The following table analyzes foreign currency risk from financial instruments as of 31st March 2026 and 31st March 2025:

Particulars		In Lakhs USD	Exchange Rate (INR/USD)
Accounts Receivable			
As at :			
	31-Mar-26	**3.36**	**94.64**
	31-Mar-25	0.65	85.24
Accounts Payable			
As at :			
	31-Mar-26	**2.25**	**94.66**
	31-Mar-25		
Cash & Cash Equivalents			
As at :			
	31-Mar-26	-	**94.64**
	31-Mar-25	1.43	85.24

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% charge in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars		Amount In Lakhs		Average Exchange Rate	
		USD	EURO	INR/USD	INR/EURO
Export Transactions					
As at :					
	31-Mar-26	**37.92**	-	**87.00**	-
	31-Mar-25	26.84	-	83.47	-
Import Transactions					
As at :					
	31-Mar-26	**5.95**	**0.17**	**89.76**	**102.48**
	31-Mar-25	2.53	0.27	85.82	93.99

Impact on profit or loss and total equity

Particulars	In Lakhs USD impact As at 31 March 2026	As at 31 March 2025
Increase in exchange rate by 5%	**5.27**	8.88
Decrease in exchange rate by 5%	**(5.27)**	(8.88)

D Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	March 31, 2026	₹ in Lakhs March 31, 2025
Floating Rate Instrument		
Borrowings	7,493.56	7,087.87
Others Liabilities		
7.50% Non Cumulative Redeemable Preference Share capital	3,250.00	3,250.00
7.50% Non Cumulative Optionally Convertible Preference Share capital	380.00	380.00
	11,123.56	10,717.87

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39 Related party disclosures

1) Names of related parties and nature of relationship:

Nature of relationship	Name of related party		
Holding Company	Ultramarine & Pigments Ltd		
Fellow Subsidairy	Ultramarine Fine Chemicals Ltd		
Key Management Personnel	Mr. R. Sampath	Director	Non- Executive
	Ms. Tara Parthasarathy	Director	Non- Executive
	Mr. V. Bharatram	Director	Non- Executive
	Mr. S. Srinivasan[1]	Director	Executive
	Mr. Navin M Ram[2]	Director	Non Executive Independent
	Mrs. Hemalatha Mohan[3]	Director	Non Executive Independent
	Mr. S. Ramanan	Company Secretary	
	Mr. Anil Sharma[4]	Chief Financial Officer	
	Mr. Palanisamy Arumugam[5]	Chief Financial Officer	
Relatives of Key Managerial Personnel	Ms. Vidya Sampath		

[1]appointed as Executive Director w.e.f 5th June, 2024

[2]ceased to be Independent Director w.e.f 11th November, 2024

[3]appointed as Independent Director w.e.f 11th November, 2024

[4]appointed as Chief Financial Officer w.e.f 10th April, 2025

[5]Appointed on 13th May, 2024 and ceased to be Chief Financial Officer w.e.f 10th April, 2025

2) Transactions carried out with related parties referred in 1 above, in ordinary course of business

₹ in Lakhs

Nature of transactions	Amount (Rs.)	
	2025-26	2024-25
Purchase of Material / Stores		
Ultramarine & Pigments Limited	231.06	143.77
Purchase of Capital Goods		
Ultramarine & Pigments Limited	7.65	-
Sale of Goods		
Ultramarine & Pigments Limited	223.17	788.23
Sale of Capital Goods		
Ultramarine & Pigments Limited	22.95	-
Remuneration to KMP		
Mr. S. Srinivasan[1]	32.04	24.91
Mr. Palanisamy Arumugam[2]	9.66	19.41
Mr. S. Ramanan	18.73	15.63
Sitting Fees paid to Independent Directors		
Mr. Navin M Ram	-	1.00
Mrs. Hemlatha Mohan	1.00	0.20
Share Application Money Received from Ultramarine & Pigments Limited	-	300
Share Application Money Received from Ultramarine & Pigments Limited Utilized for issue of equity and preference shares	-	(350)
Preference Dividend		
Ultramarine & Pigments Limited	272.25	-
Technical Royalty Expenses		
Ultramarine & Pigments Limited	184.01	137.31
Term Loan from Holding Company		
Term Loan repaid during the year	264.88	272.94
Interest Expense	87.79	120.73
Subscription to Preference Shares		
Ultramarine & Pigments Limited	-	350.00
Professional Fees paid		
Mr. R. Sampath	72.00	72.00
Rent Paid		
Ms. Vidya Sampath	3.00	3.00
Ultramarine & Pigments Limited	0.84	0.84
Other Services		
Weighment Charges		
Ultramarine & Pigments Limited	1.01	0.67
Outstanding Payable		
(a) Ultramarine & Pigments Limited		
Term Loan	921.81	1,186.69
Royalty Payable	198.73	148.28
Weighment Charges	0.33	-
Rent	0.08	0.08
Purchase of Goods	75.03	-
(b) Ms. Vidya Sampath - Rent	0.25	0.23
(c) KMP Remuneration Payable		
Mr. S. Srinivasan	6.03	4.75
Mr. Palanisamy Arumugam[1]	-	2.24
Outstanding Receivable		
Ms. Vidya Sampath - Rent Deposit	0.99	0.99
Ultramarine & Pigments Limited	-	50.86

[1]Appointed on 13th May, 2024 and ceased to be Chief Financial Officer w.e.f 10th April, 2025

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40 Segment Reporting

The company is engaged in the manufacture and sale of chemicals and accordingly has only one reportable segment. Hence, there are no additional disclosures to be provided under Ind AS 108 'Operating Segments'.

(a) Geographical information

The Company is domiciled in India.The amount of its revenue from external customers and non-current assets other than financial instruments,and deferred tax assets, broken down by location of the assets, is shown below:

₹ in Lakhs

Revenue from Operations	Year ended 31st March, 2026	Year ended 31st March, 2025
India	4,068.10	3,123.66
South Korea	1,635.18	1,397.06
Rest of the World	1,653.23	843.36
Grand Total	**7,356.51**	5,364.08

₹ in Lakhs

Total Assets	Year ended 31st March, 2026	Year ended 31st March, 2025
India	20,272.88	18,338.77
Rest of the World	-	-
Grand Total	**20,272.88**	18,338.77

41 C I F Value of Imports

₹ in Lakhs

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Raw Materials	551.57	216.69
Stores & Spares	-	-
Plant & Machinery	-	-
Total	551.57	216.69

42 Expenditure in Foreign Currency

₹ in Lakhs

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Legal and Professional Charges	-	24.96
Total	-	24.96

43 Earnings in foreign currencies

₹ in Lakhs

Particulars	Year ended 31 March, 2026	Year ended 31 March, 2025
Export of goods calculated on FOB basis	3,270.08	2,209.10
	3,270.08	2,209.10

44 Code on Social Securities

The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the codes") in the Gazette of India, interalia, subsuming various existing labour and industrial laws which deals with employees including post employment period. The effective date of the code and the rules are yet to be notified. The impact of the legistative changes if any will be assessed and recognised post notification of relevant provisions.Pursuant to the enactment of the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), the Company has evaluated the potential impact of the changes in the definition of wages and other related provisions on its employee benefit obligations. Pending notification of the relevant Rules and effective date of implementation, the Company has carried out a preliminary assessment based on available information and management's best estimates.

Based on such assessment and actuarial valuation, the Company has recognised an incremental gratuity expense of ₹3.45 lakhs as past service cost during the year ended 31 March 2026, with a corresponding increase in gratuity obligation and reduction in profit for the year.

The Company will continue to monitor developments and assess the impact of the Labour Codes. The final impact, if any, will be recognised in the financial statements in the period in which the relevant provisions and Rules are notified and become effective.

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45 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

	31st March 2026	31st March 2025
Profit attributable to equity holders of the Company for basic and diluted earnings per share	**851.18**	554.63
ii. Weighted average number of ordinary shares		
	31st March 2026	**31st March 2025**
a. Number of Issued equity shares	**4,70,83,333**	4,70,83,333
b. Effect of shares issued as	-	-
Nominal value per share	**10**	10
c. Weighted average number of shares at 31st March for basic and diluted earnings per share(a+b)	**4,70,83,333**	4,70,83,333
iii. Basic earnings per share (i/iic)	**1.81**	**1.18**

46 Details on CSR Expenditure

Particulars	2025-26	2024-25
(a) Gross amount required to be spent by the company during the year	10.14	-
(b) Amount approved by the Board of Directors to be spent during the year	10.14	-
(c) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	11.29	-
(d) Shortfall at the end of the year (b-c)	-	-
(e) Total of previous year shortfall	-	-
(f) Reason for shortfall	-	-
(g) Nature of CSR activity		
(i) Promoting education (school infrastructure incl. benches, sanitation facilities)	11.29	-
(h) Details of related party transaction	-	-

47 Disclosures required as per Micro, Small and Medium Enterprises Development Act, 2006 .

The disclosure regarding Micro and Small Enterprises has been made to the extent such parties have been identified

₹ in Lakhs

Particulars	2025-26	2024-25
(i) Principal amount and Interest payable to the suppliers as at the end of the accounting year	135.92	32.56
(ii) The amount of interest paid by the buyer in terms of Sec.16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act	-	0.05
(iv) The amount of Interest accrued and remaining unpaid at the end of each accounting year.	0.49	0.49
(v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

48 As per the Andhra Pradesh Industrial Development Policy 2020-2024, the company is entitled to the below mentioned benefits on commecement of commercial production (COCP). The below mentioned benefits are based on the classification of status of the company as large enterprise during the year.

(i) 50% reimbursement of net accrued SGST to the state for 5 years from the date of COCP

No amount accrued during the year.

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49 **Net Debt Reconciliation**

₹ in Lakhs

Particulars	As at 31.03.2026	As at 31.03.2025
	Lakhs	Lakhs
Cash and Cash equivalents	**4.87**	343.80
Current Borrowings	2,330.14	1,137.96
Non- Current borrowings inlcuding Current Maturties	8,793.41	9,579.92
Other Financial Liabilities - Interest Payable	1.22	1.00
	11,124.77	10,718.88
Net debt	**11,119.90**	10,375.08

This section sets out an analysis of net debt and the movements in net debt for the period presented.

₹ in Lakhs

Particulars	Other assets	Liabilities from Financing activities		Net Debt
	Cash and Cash equivalents	Non- Current borrowings	Current borrowings	
Net debt as at 01st April 2024	157.47	8,233.38	80.96	8,156.87
Cash flows	186.33	2,484.50	(80.96)	2,217.21
Foreign exchange adjustments		-		-
Interest expenses (includes Interest capitalised ₹ 120.35 Lakhs)		547.29		547.29
Interest paid		(546.29)		(546.29)
Other non-cash movements				-
Acquisitions/disposals				-
Fair value adjustments				-
Net debt as at 31st March 2025	343.80	10,718.88	-0.00	10,375.08
Cash flows	**(338.93)**	**99.52**	**306.14**	**744.60**
Foreign exchange adjustments				-
Interest expenses (includes Interest capitalised ₹ 82.10 Lakhs)		**801.43**		**801.43**
Interest paid		**(801.21)**		**(801.21)**
Other non-cash movements				-
Acquisitions/disposals				-
Fair value adjustments				-
Net debt as at 31st March 2026	**4.87**	**10,818.62**	**306.14**	**11,119.90**

50 In terms of the Taxation Laws (amendment) Act, 2019, Section 115BAB of the Income Tax, 1961 is available for a new manufacturing Companies established on or after 01st October 2019 and commences manufacturing or production of any article or thing on or before 31st March 2024 to avail of an irreversible option to pay tax at lower rate subject to fulfilment of certain conditions and non-availment of certain exemptions and deductions. The company was incorporated on 09th December,2019 and commenced its manufacturing operations on 25th July,2022 and the company during the Assessment year 2020-21 opted to avail of the Alternative Tax Regime available under Section 115BAB of the Income Tax Act, 1961. Tax provisions have been accordingly considered based on the option availed by the company.

51 The company has used accounting software (ERP) for maintaining its books of account, have a feature of embedded audit trail at transaction level on application layer which creates unique events for every transaction along with date of creation , updation and identity of users. Transactions recorded in ERP are not allowed to be modified after posting. There are no instanaces of audit trail feature being tampered with and the same has been operated throughout the year for all transactions recorded in the accounting software. Post publication of ICAI implementation guide, direct database level changes was also included in audit trail scope. In respect of ERP, access to direct database level available only to privileged users. there is no access to database available to the company personnel. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention

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52. Ratios

Ratio	Numerator	Denominator	F.Y. 2025-26	F.Y. 2024-25	% Variance	Reason for Variance by more than 25% as compared to p.y.(Positive or Negative)
(a) Current Ratio	Current Assets	Current Liabilities	1.06	1.91	(44.32)	Due to increase in current borrowings during the year
(b) Debt-Equity Ratio	Total Debt (Total Borrowings)	Shareholder's Equity (Shareholders' funds other than Other Comprehensive Income)	1.54	1.68	(8.75)	
(c) Debt Service Coverage Ratio	Earnings available for debt service (Net profit after taxes + Depreciation and amortization + Finance cost)	Debt Service (Interest & Lease Payments + Principal Repayments)	1.25	1.23	1.87	
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	12.47%	9.02%	38.22	Due to increase in sales and net profits
(e) Inventory Turnover Ratio	Sale of Materials	Average Inventory	4.49	4.55	(1.25)	
(f) Trade Receivables Turnover Ratio	Total Sales	Average Accounts Receivable	11.08	12.65	(12.45)	
(g) Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	3.49	3.28	6.53	
(h) Net Capital Turnover Ratio	Total Sales	Working Capital	31.42	3.02	939.46	Due to reduction in net working capital
(i) Net Profit Ratio	Net Profits after taxes	Total Sales	0.11	0.10	11.88	
(j) Return on Capital Employed	Earning before interest and taxes (Profit before tax + Finance Costs)	Capital Employed (Net Worth + Total Debt + Deferred Tax Liability - OCI adjustments for Fair Value of Investments Recognised)	9.74%	6.31%	54.41	Due to increase in sales and net profits
(k) Return on Investment	Income from Investments	Cost of Investments	7.51%	-	NA	

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Notes to Financial statements for the year ended 31st March, 2026

53 Other statutory information

i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iii) The Company has not advanced or loaned or invested funds to any other person(s) or entites, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

iv) The Company has not received any fund from any person(s) or entities, including foreign entities (intermediates) with the understanding (whether recorded in writing or otherwise) that the intermediate shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vi) The Company does not have any subsidiary and hence clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company.

vii) The Company is not declared willful defaulter by and bank or financials institution or lender during the year.

viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

ix) The company has obtained working capital credit facility against its current assets and has filed Quarterly returns or statements of current assets with banks or financial institutions. The filed Return or statements are in agreement with books of accounts.

x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date except:

Relevant line item in Balance Sheet	Description of item of property	Gross Carrying Value (₹ in Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in name of company
Property Plant & Equipment	**Plot No. 59A 14.59 Acres of Land in Industrial Estate, Menakur**	₹972.24	Andhra pradesh Industrial Infrastructure Corporation (APIIC)	No	2nd March 2022	The Sale Agreement is registered in the name of the company and Sale deed will be executed by APIIC on compliance to other terms and conditions. (Refer Note 4)
Property Plant & Equipment	**Plot No. 59 BLOCK-C 7.71 Acres of Land in Industrial Estate, Menakur**	₹613.26	Andhra pradesh Industrial Infrastructure Corporation (APIIC)	No	20th January 2024	The Sale Agreement is registered in the name of the company and Sale deed will be executed by APIIC on compliance to other terms and conditions. (Refer Note 4)

xii) The Company does not have any transactions with companies which are struck off.

54 Previous years figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For Brahmayya & Co
Chartered Accountants
Firm Regn. No. 000511S

For and on behalf of Board of Directors

R.NAGENDRA PRASAD
Partner
Membership No.203377
Place: Chennai
Date: 18th May 2026

Anil Sharma
Chief Financial Officer

S. Ramanan
Company Secretary

TARA PARTHASARATHY
Director
DIN :07121058

V BHARATHRAM
Director
DIN : 08444583

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