



NACL Industries Limited

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CIN : L24219TG1986PLC016607

Ref: NACL/SE/2026-27

June 29, 2026

To
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001.
Security code: 524709

To
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1 G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051.
Symbol: NACLIND

Dear Sir,

Subject: Notice convening 39th Annual General Meeting ('AGM') and Annual Report for FY 2025-26.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the Notice convening the 39th Annual General Meeting ("AGM") of the Company along with the Annual Report for the Financial Year 2025–26.

The 39th AGM of the Company is scheduled to be held on Wednesday, July 22, 2026, at 3:30 p.m. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

In compliance with the applicable circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"), the Notice of the 39th AGM along with the Annual Report for the Financial Year 2025–26 has been electronically dispatched today, i.e., June 29, 2026, to all the Members whose email addresses are registered with the Company, Depository Participant(s), or the Company's Registrar and Share Transfer Agent, XL Softech Systems Limited.

The Notice of the AGM and the Annual Report are also available on the Company's website at www.naclind.com.

Further, a communication containing the web-link and the detailed instructions for accessing the Notice of the 39th AGM and the Annual Report will be dispatched to those shareholders whose e-mail addresses are not registered with the Company or their respective Depository Participant(s).

We are also furnishing below the AGM related information for ready reference:

Time and Date of AGM	Wednesday, July 22, 2026, 03:30 p.m. IST
Cut-off Date for e-Voting	Friday, July 17, 2026
E-voting start time and date	Sunday, July 19, 2026, 09:00 a.m. IST
E-voting end time and date	Tuesday, July 21, 2026, 05:00 p.m. IST

You are requested to take the same on record.

Thanking you,

Yours sincerely,

for NACL Industries Limited

Rajesh Mukhija
Company Secretary



STABILISE AND BUILD

ANNUAL REPORT 2025-26

NACL Industries Limited
Rooted in Purpose. Growing for Tomorrow.

Inside THIS REPORT



Corporate Overview

02	Stabilise and Build	16	International Presence	30	Human Resource Development
04	Chairman's Statement	18	Excellence & Achievements	32	Research Development
06	MD and CEO's Message	20	Strategic Differentiators	34	Quality, Environment, Health & Safety(QEHS)
08	Stabilising The Business	22	Diversified Product Offerings	38	Building a Responsible Future
12	About Us	24	Advanced Technical Portfolio	40	Board of Directors
14	Operational Footprint	25	Farmer-Focused Formulations		
15	Domestic Reach	28	Key Performance Indicators		

Statutory Reports

43	Corporate Information
44	AGM Notice
59	Board's Report
85	Management Discussion and Analysis
95	Corporate Governance Report
118	Business Responsibility and Sustainability Reporting

Financial Statements

146	Standalone Financial Statements
219	Consolidated Financial Statements

Building on Strong FOUNDATIONS

FY2025-26 marks a defining chapter in NACL Industry's journey—one that will be remembered as a transformational year. During the year, Coromandel International acquired a controlling stake in the Company, creating a stronger and more integrated crop protection platform.

This strategic acquisition was driven by NACL's established manufacturing capabilities, diversified product portfolio built over decades and a formulations business with significant scale and market reach. Together with Coromandel's strengths, these capabilities create a powerful foundation for accelerated growth, enhanced innovation and greater value creation for customers and stakeholders.

This partnership has reshaped NACL's place in the industry

We now belong to the Murugappa Group, a 125-year-old institution with a reputation earned across generations for governance, discipline and the rare ability to make every company in its fold stronger than it was before. What this unlocks is tangible.

NACL's proven manufacturing capabilities join forces with Coromandel's extensive distribution network and deep industry expertise. The result is a combined platform built for a step-change in operational scale, deeper reach into critical customer segments and strategic CDMO relationships that few Indian crop protection enterprises can offer.

Beyond Operational Synergies

NACL now carries a stature in the market that commands a different kind of attention from customers, partners and global principals alike.



Chairman's STATEMENT



Dear Shareholders,

FY2025-26 was a turnaround year for NACL Industries. It was also the Company's first year as part of the Murugappa Group, through Coromandel International. NACL now draws on more than seven decades of institutional discipline, manufacturing depth and governance rigour built within the Group.

The year was one of stabilisation, operational recovery and renewed strategic direction. After a difficult phase, the Company began to regain momentum through sharper execution, tighter financial discipline, stronger operational focus and a clearer roadmap for profitable growth.

The strategic agenda is straightforward — to stabilise and build: a robust, value accretive business anchored in differentiated formulations, a stronger export and contract manufacturing engine, and deeper synergies with Coromandel. There is significant work ahead, but FY26 has put NACL on a more purposeful and performance-oriented path.

Integration and Synergies with Coromandel

During the year, several synergy initiatives were taken forward across manufacturing, procurement, R&D, IT and retail. Both companies have identified and begun working on opportunities aimed at improving efficiency, strengthening capabilities and enhancing competitiveness.

Our objective is clear: to ensure that NACL benefits not only from ownership alignment, but also from genuine operating synergies across sourcing, manufacturing, regulatory, market access, retail and innovation. These benefits will accrue progressively, and FY26 has laid useful early foundations.

Strategic Direction: Stabilise and Build

The management team has laid out a clear strategic agenda for the business. This agenda is grounded in an honest assessment of the current issues facing the Company: price erosion in generic molecules, lower export mix, below-industry-average margins, operational inefficiencies, higher fixed costs and elevated debt.

The response to these issues is taking shape across several fronts. First, NACL is working to improve business quality through differentiated products, better customer selection, stronger collection discipline and greater focus on combination products. Second, the Company is pursuing contract manufacturing opportunities and partnerships with leading innovators and global players. Third, efforts are underway to improve costs through selective backward integration, automation, process redesign and reduced import dependence. Fourth, R&D and product development are being directed toward niche off-patent molecules, differentiated delivery systems, herbicide mixtures, seed treatment products and market-relevant combinations.

We believe this is the right strategic direction for NACL. The future of the Company cannot be built on volume alone. It must be built on better margins, stronger technical differentiation, improved capital efficiency and sharper customer relevance.

Governance and Organisation

FY26 also saw progress in strengthening the organisation across several levels. The Company has progressively aligned its governance, audit and related-party transaction frameworks with Murugappa Group standards.

Sustainability and Responsible Operations

The Company is also aligning its sustainability disclosures with the requirements of the Business Responsibility and Sustainability Report (BRSR) framework, and is investing in initiatives covering emissions, water management, waste handling and community engagement at its plant locations. The Company views sustainability not as a parallel agenda but as an integral part of operational excellence and long-term competitiveness.

Dividend

Given that the Company is in the early phase of its turnaround and the priority remains strengthening the balance sheet and reinvesting in growth, the Board has not recommended a dividend for FY2025-26. The Board will continue to review the Company's dividend policy as profitability and cash generation strengthen in the coming years.

The Road Ahead

Looking ahead, our ambition is clear. NACL has defined a strong growth agenda, anchored in the pursuit of stronger scale, better profitability and improved business quality over the medium term. This is an ambitious journey, but one that is achievable through disciplined execution, sharper choices and sustained operational focus.

The key drivers of this journey will be a stronger domestic formulations portfolio built around differentiated combinations and better solution selling; a larger and more profitable export business, especially with MNC customers; growth in intermediates and contract manufacturing; deeper synergies with Coromandel; stronger operational efficiency; and continued financial discipline.

There will, of course, be challenges. Input cost volatility, regulatory risks, supply chain disruptions and pricing pressure in generic products will remain part of the operating landscape. Even so, NACL enters the next phase from a stronger base — with a healthier balance sheet, improved operating performance, clearer strategic priorities and stronger organisational alignment. The direction is one of stabilise and build, and the foundations laid in FY26 give us confidence in what lies ahead.

Acknowledgements

I would like to express my sincere appreciation to the Board of Directors for their guidance, oversight and support during the year. Their counsel has been valuable as NACL has worked through an important phase of transition and renewal.

NACL's recovery has clear momentum, the operating foundations are stronger, and the opportunities ahead are significant. With disciplined execution, deeper integration with Coromandel and a continued focus on profitable growth, we are confident that the Company can build lasting value in the years ahead.

With warm regards,

Arun Alagappan

Non-Executive Chairman

NACL Industries Limited

MD and CEO's MESSAGE



Dear Shareholders,

The year was characterised by both progress and realism. We operated in a challenging environment marked by raw material price volatility, pricing pressure in generic molecules, supply chain disruptions and a demanding market backdrop. At the same time, we took a number of concrete steps to strengthen the business across manufacturing, R&D, regulatory, commercial execution, finance and organisation design.

Our focus was not only on restoring performance in the short term, but on putting in place the building blocks for a stronger and more sustainable NACL over the medium term.

Performance: A Clear Improvement from the Previous Year

Against this backdrop, NACL delivered a meaningful improvement in operating performance during FY26. Revenue grew by 28% to ₹1,584 Crores. Most notably, EBITDA improved to ₹106 Crores from a loss of ₹55 Crores in the previous year — a decisive turnaround in operating performance and business discipline.

The progress has been real, and the direction of travel is clear. Our task now is to build on this momentum — strengthening the balance sheet further, improving cash generation and converting operating recovery into sustainable profitability.

Strengthening the Balance Sheet and Financial Discipline

The completion of our rights issue raised ₹250 Crores, materially strengthened our balance sheet and gave us the financial conviction to pursue growth with confidence.

Together with focused debt consolidation and financial discipline, this helped materially improve the Company's capital structure. During the period from March 2025 to 2026, total long-term and short-term borrowings reduced by approximately 24% from ₹396 Crores to ₹301 Crores. The debt-equity ratio improved from 0.93 to 0.44, and the Company now has zero long-term debt. The Company's long-term credit rating was also upgraded to CRISIL AA from BB+.

These are not merely financial statistics. They signal an important restoration of confidence in the business and provide NACL with a more stable platform from which to pursue growth. Financial discipline will remain a central management priority going forward.

Operational Excellence and Manufacturing Performance

Operational improvement was one of the strongest features of FY26. NACL achieved its highest-ever technical production of 14,640 MT during the year. Through lean manufacturing initiatives and debottlenecking, the Company enhanced capacity across multiple products and delivered improved operating efficiencies across manufacturing sites across sites through a strong culture of continuous improvement.

We also made progress in product commercialisation and plant productivity. Two new technicals — Haloxyfop (Haloxy) and Pyroxasulfone (Pyroxy), both herbicide molecules — were commissioned, while six new formulation products were launched.

Equally important, safety performance remained strong. NACL achieved zero TRIR across all units during the year. The Company also received multiple recognitions for its Srikakulam plant, including awards for quality, environment excellence and safety. These are encouraging indicators of the operating discipline that must underpin long-term growth.

Building Commercial Momentum Across Businesses

During FY26, NACL made progress across all key commercial segments.

In domestic dealer segment, sales grew by 5% and DSO improved significantly from 160 days to 122 days. The Company onboarded 583 new customers during the year, launched six new products, and strengthened training around sales planning and solution selling. These improvements are important because they indicate not only revenue growth but also better-quality business. In the domestic institutional sales segment, sales increased by 108%. Exports also grew by 14%. These results reflect a more focused effort toward strategic tie-ups, customer

activation, improving the product mix and leveraging existing registrations more effectively across markets.

That said, we remain conscious that the commercial portfolio still needs further strengthening. A large part of the formulations business remains oriented toward generic solo products, and there is significant headroom to improve margins through a better mix, differentiated combinations, seed treatment products, herbicide-led growth and stronger partnerships with both domestic and global customers.

Innovation, Regulatory Progress and Product Pipeline

An encouraging area of progress during the year was the meaningful headway made in regulatory, R&D and intellectual property. NACL secured three TIM technical registrations, fifteen me-too formulation registrations and ten international registrations, while filing more than twenty additional registrations globally. The Company also received three patents during the year, including two combination patents and one process patent — a first for NACL.

On the R&D front, five molecules were commercialised in technicals and intermediates, cost reduction projects were completed for four molecules and transferred to plants, and four solo formulations were commercialised. Work also progressed on combination formulations, recipe development and process improvement. The successful completion of GLP and NABL audits, and the inauguration of the Effluent Treatment Plant (ETP), further strengthened the Company's technical, compliance and environmental capabilities.

These developments point to a shift in orientation. R&D at NACL is increasingly being aligned not only to product registration, but also to process improvement, cost competitiveness, differentiated offerings and future growth opportunities.

Safety and Responsible Operations

Responsible operations remain central to how NACL conducts its business. Beyond the strong safety record noted earlier, the inauguration of the Effluent Treatment Plant during the year reflects continued investment in environmental compliance and resource stewardship.

Systems and Processes

On systems and processes, a comprehensive WhatsApp bot was deployed for dealers and sales teams, multiple Power BI dashboards were rolled out, procurement workflows were digitised through Chemarc and e-Way Bill automation, and external integrations with SAP were implemented. The Company also progressed SAP Rise gap analysis and implementation planning.

In the corporate functions, several foundational initiatives were undertaken, including Digiboard for Board meetings, banker consolidation, channel credit cover and digitalisation of several HR processes. Recruitment efficiency improved materially, while the next phase of organisation development is being directed toward productivity, goal setting, high-potential talent identification and structural redesign.

These initiatives may not always be visible externally, but they are essential for building a more scalable and disciplined organisation.

Looking Ahead

The Indian agrochemical market is expected to grow at 5-6% through 2030. The government's identification of agrochemicals as one of 12 champion sectors for India's global supply chain ambitions is a consequential structural tailwind. And the imperative of feeding 1.65 billion people by 2050 makes effective, accessible crop protection a permanent and irreplaceable priority for this nation.

NACL is positioned to be a consequential part of that story. We carry the manufacturing depth. We carry the product portfolio. We carry the R&D capability. And for the first time in our history, we carry the scale, the distribution, and the financial strength of a partner as committed to our growth as we are to earning it.

The foundations are in place. NACL's next chapter is larger and more purposeful than before.

To our ~1,400 employees: your resilience, your professionalism, and your belief in what NACL can become are the true strengths of this company. To our shareholders: your patience during a demanding period has been noted, and every decision we make is dedicated to rewarding you for it

With warm regards,

Dr Raghuram Devarakonda

Managing Director & Chief Executive Officer.

NACL Industries Limited

Stabilising THE BUSINESS

Stabilisation is, above all, a willingness to see clearly. Over the past year, teams across the organisation have worked closely to gain an honest understanding of the business, streamline areas that no longer create value and establish the foundations for sustainable growth. This collective effort to strengthen the business, enhance operational discipline and build for the future defines the year gone by.

Getting the Right Energy and Experience

The year also benefited from access to the scale, expertise, systems and institutional strengths of a larger platform. Leveraging deep industry knowledge, proven operating practices and a strong strategic framework, the organisation moved with greater clarity and purpose. This support has helped NACL to sharpen strategic priorities, strengthen accountability, enhance execution capabilities and align the entire organisation around a clear and unified direction for sustainable growth.

Streamlining Manufacturing Operations

Under Coromandel's operational expertise, scale and proven management practices, the Company accelerated efforts to improve productivity, optimise costs and strengthen execution across its manufacturing operations.

Higher capacity utilisation, enhanced procurement efficiencies and disciplined overhead management contributed to a more efficient operating model, positioning the business for improved performance and long-term value creation.

Shareholders' Support for Fund Raising

The proceeds from Rights Issues amounting ₹250 Crores, predominantly allocated to debt repayment, have strengthened the balance sheet at the precise moment when NACL needed capital to invest in growth. This is stabilisation with full conviction: managing the present with rigour, while preparing the future with intent. The two imperatives were pursued in unison.

In a Nutshell

NACL will benefit from a larger platform that enables stronger focus on market demand, accelerated product launches and deeper investments in R&D. Enhanced customer connections and closer engagement across markets will further support the development of differentiated solutions and strengthen market responsiveness.

The Numbers Speak

₹1,584 Crores

Consolidated revenue —
up 28% year-on-year

₹106 Crores

Consolidated EBITDA - loss of
₹55 Crores in previous year



Setting up THE BUILDING BLOCKS

The work of building begins long before the results show. It starts with choosing where to invest, what to prioritise and how to grow in a way that holds. NACL is doing that work now, with a steady focus on sustainable value creation.

Commitment to this effort reflects a quiet confidence in what NACL already brings to the table. The intent is clear: strengthen what is already here, add what is needed and build a business that delivers more with each passing year.

Scaling up what Matters

The Company is strengthening its technical manufacturing capabilities with a focus on producing new formulations and intermediates aligned with evolving global demand and emerging market requirements. These initiatives are also expected to enhance readiness to serve multinational customers with high-quality, scalable solutions.

Together, these efforts underscore NACL's focus on deepening its manufacturing backbone and building a future-ready platform for sustainable growth and long-term value creation.

Decades of Brand Equity. Strengthened by Coromandel

Deep industry expertise and a well-established distribution network significantly expand NACL's market reach and strengthen its access to farmers across key geographies in India. This extensive channel ecosystem enhances the visibility and availability of the Company's branded formulations, enabling deeper penetration into rural markets and strengthening farmer engagement.

Contract Manufacturing Two Decades of MNC Trust, A New Tailwind for Growth

NACL's contract manufacturing relationships with global MNCs span over two decades. These are bonds forged through technical precision, reliability and consistent delivery.

Rooted in India. Trusted across the World

NACL's export business, is a proof point of technical credibility earned on the world stage. Today, our products reach customers across 39 countries, as capacity scales and Coromandel's global network open further doors, this reach will deepen into something far more formidable.

NACL Brings Depth, Coromandel Brings Scale

Together, we are building something new for India's crop protection industry. A fully integrated enterprise with the ambition and architecture to grow into a new orbit.

About US

Delivering Trusted Crop Protection for a Growing India, Transforming agrochemical expertise into agricultural progress.

Established in 1993, NACL commenced its journey as an active ingredient manufacturer and steadily evolved into a diversified agrochemical company with a strong presence across domestic retail, institutional and export markets. Over the years, the Company has cultivated enduring relationships with several leading multinational customers, reflecting its credibility, product quality and consistent market engagement.

NACL has also emerged as a dependable player in the formulations segment, offering a portfolio of over 66 products catering to major crops across geographies. Its broad product basket spans key agrochemical categories, including insecticides, herbicides, fungicides and plant growth regulators, enabling the Company to address diverse agricultural requirements with integrated crop protection solutions.

Mission

To be a trusted name in providing high quality products and solutions to the farming community.

To be a trusted custom & contract manufacturing partner.

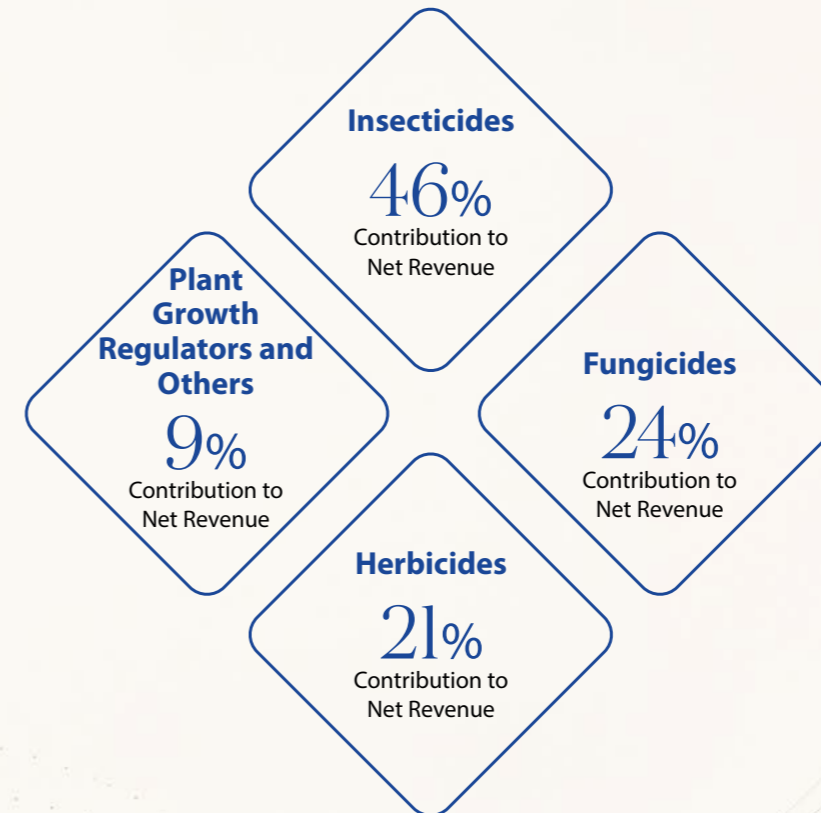
To be a model company in meeting the expectations of all stakeholders.

The Spirit of the Murugappa Group

These five lights guide us as we navigate through professional and personal decisions.



Our Product Division



A Growing Presence in Crop Protection

Numbers that Define Us



Our Operational FOOTPRINT



Srikakulam, Andhra Pradesh – Technical Manufacturing

The facility produces technical-grade insecticides, fungicides and herbicides. Strategically located around 100 km from Visakhapatnam Port and spread across 76 acres, the plant has an installed production capacity of 13,000 metric tonnes per annum (TPA). The facility is equipped with advanced environmental management systems, including a Zero Liquid Discharge (ZLD) plant and an incinerator.

Ethakota, Dr. BR Ambedkar Konaseema District – Formulation

The Company operates two dedicated formulation units at Ethakota in East Godavari district. These facilities manufacture a wide range of formulations, including liquid, powder and granular products. The units are supported by Zero Liquid Discharge (ZLD) systems to ensure efficient effluent treatment and environmentally responsible operations.



Dahej, Gujarat – Speciality Chemicals

Operated through NACL Spec-Chem Limited, the Dahej facility manufactures speciality chemicals with an installed capacity of 6,000 MTPA. The plant has undergone capacity expansions to support new product categories and strengthen the Company's manufacturing portfolio.

Rangareddy, Telangana – Research & Development Centre

NACL has a dedicated Research & Development facility at Rangareddy, Telangana, focuses on technical research, product development and process innovation to support future growth and strengthen its crop protection capabilities.



Our DOMESTIC REACH

NACL Industries has a strong and growing domestic presence across key agricultural regions in India, supported by a wide distribution network. The Company continues to strengthen its footprint through reliable crop protection solutions and farmer-focused engagement.

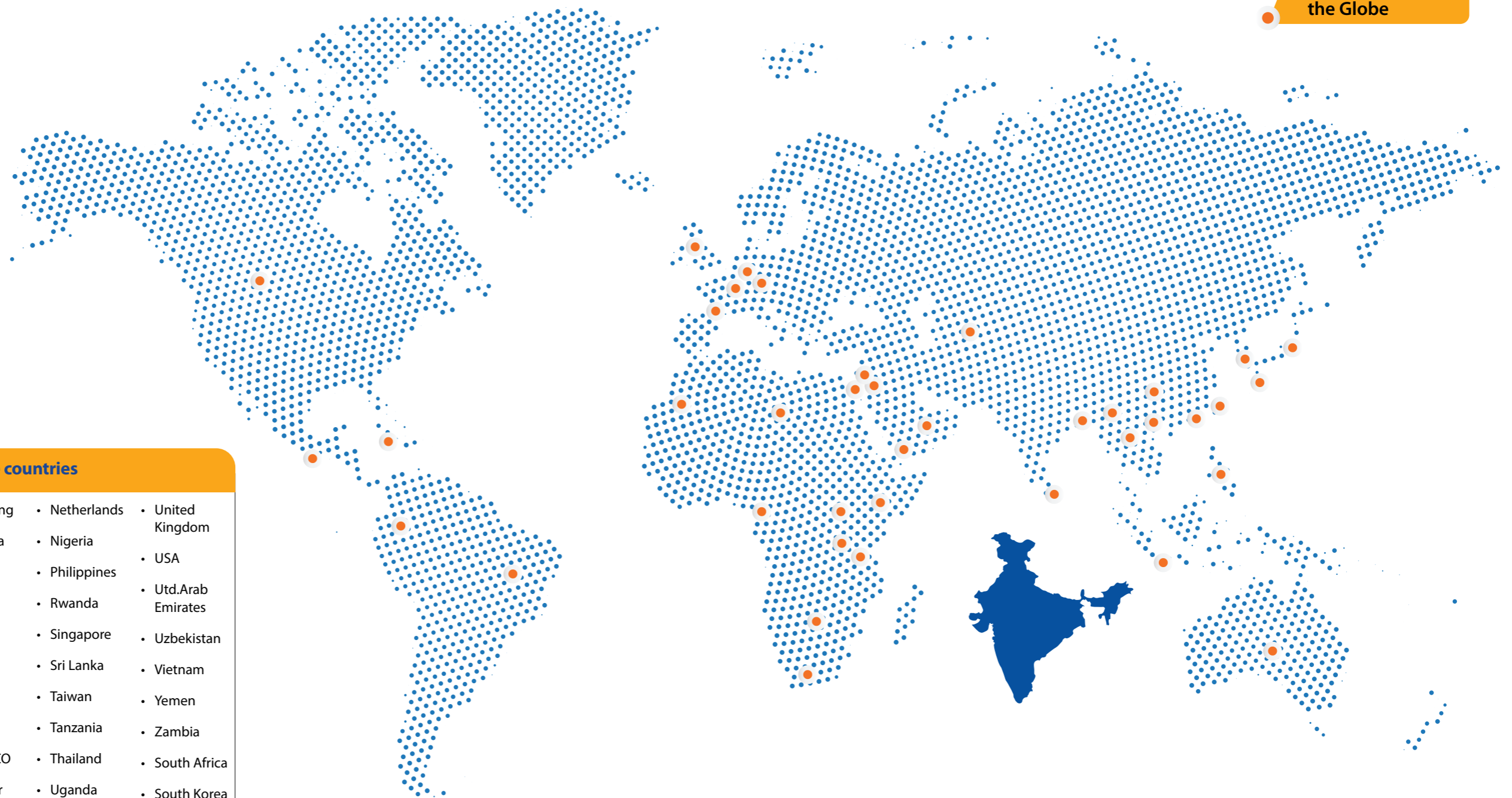


Our International PRESENCE

NACL's export footprint spans developed and emerging agricultural markets worldwide — from the USA, Japan and Australia to growing economies across Africa, Southeast Asia and Latin America. This geographic spread allows the Company to serve diverse farming practices, climatic conditions and crop protection needs through its broad portfolio of solutions.

39

Countries across the Globe



Name of the countries			
• Australia	• Hong Kong	• Netherlands	• United Kingdom
• Bangladesh	• Indonesia	• Nigeria	• USA
• Belgium	• Israel	• Philippines	• Utd.Arab Emirates
• Brazil	• Japan	• Rwanda	• Uzbekistan
• China	• Jordan	• Singapore	• Vietnam
• Colombia	• Lebanon	• Sri Lanka	• Yemen
• Ethiopia	• Libya	• Taiwan	• Zambia
• France	• Mexico	• Tanzania	• South Africa
• Germany	• MOROCCO	• Thailand	• South Korea
• Haiti	• Myanmar	• Uganda	

Excellence and ACHIEVEMENTS

CII Andhra Pradesh Industrial Safety Excellence Awards 2025



On 21 March 2025, the Company was conferred with the CII Andhra Pradesh Industrial Safety Excellence Award by the Confederation of Indian Industry (CII). The award recognizes the Company's outstanding performance and commitment to highest standards in industrial safety.

ICC Environment Excellence Awards 2025



The Company received the Environment Excellence Award at the 19th ICC Environment Partnership Summit & Awards 2025, organised by the Indian Chamber of Commerce (ICC). This prestigious recognition highlights the Company's significant achievements in environmental stewardship, sustainability initiatives and responsible business practices.



Environment Excellence Award (2025)

Conferred by the Indian Chamber of Commerce (ICC) in recognition of outstanding environmental stewardship. The Srikakulam Plant received the Gold Award in the Manufacturing & Engineering Sector during the 19th ICC Awards.

CII Industrial Safety Excellence Award

Silver Category (2025): Awarded to the Srikakulam Plant for exemplary industrial safety performance and implementation of effective safety management systems.

ICC Technology Award

Sustainability Excellence (FY 2025-26 Assessment Year): Received from the Indian Chamber of Commerce for sustainability excellence initiatives and best practices implemented at the Srikakulam Plant.

Golden Peacock Award (2026)

The NACL Srikakulam plant has been honoured with the prestigious "Golden Peacock National Quality Award - 2026" by the Golden Peacock Awards Secretariat, Institute of Directors (IOD), India

Swachha Andhra Award (2025)

Presented by the Government of Andhra Pradesh under the "Swachha Industries" category to the Ethakota Factory for excellence in cleanliness, environmental management and sustainable industrial practices.

Our Strategic DIFFERENTIATORS

NACL's competitive strengths lie in its integrated business model, disciplined governance practices and focus on operational efficiency. The Company continues to strengthen its market presence through sustained investments in research and development, enabling a diversified product portfolio aligned with evolving customer requirements and industry trends. Its extensive distribution reach, long-standing business relationships and strong brand equity further reinforce market positioning, contributing to sustainable growth and long-term value creation.



Our Parent Company

Coromandel International Limited is one of India's leading agri-solutions providers, operating across the farming value chain through two segments: Nutrient and allied businesses and Crop Protection. The Company is India's second largest manufacturer and marketer of phosphatic fertilisers. Its portfolio spans fertilisers, crop protection, bio products, speciality nutrients and organics - crop protection products that serve domestic and international markets.



Our State-of-the-Art Infrastructure

Advanced manufacturing capabilities, integrated infrastructure and technology-driven operations enable high operational efficiency, process precision, scalability and consistent product quality across the value chain.



Our Extensive Product Range

With a diversified portfolio spanning exclusive products for leading multinational companies and branded formulations trusted by the farming community, we effectively serve the distinct requirements of both institutional customers and individual farmers.



Our Brand Strength

NACL's strong market reputation has been built over three decades through consistent quality, reliability and trusted customer relationships. Its reputation has fostered strong consumer preference among farmers as well as multinational corporations.



Our Formulation Expertise

NACL's formulation expertise enables the Company to develop high-quality, effective and market-oriented crop protection solutions tailored to diverse agricultural requirements. Its capabilities span the development of pesticides and speciality formulations designed to enhance product performance, ease of application, stability and effectiveness in varied farming conditions.



Our Enduring Relationships

Strong relationships across our value chain form the foundation of our business. Our reputation for delivering high-quality ingredients has enabled us to establish long-term partnerships with multinational corporations, while our extensive dealer network helps us maintain close engagement with the farming community.



Our Strong R&D Capabilities

Continuous investment in research and development enables us to address evolving market requirements through ongoing product innovation and improvement. This R&D-driven approach strengthens our product portfolio, enhances market competitiveness and delivers greater value to customers.



Our Diversified PRODUCT OFFERINGS

NACL's diversified portfolio reflects a vibrant blend of science, innovation and farmer-centric solutions. From protecting crops against pests and diseases to fostering healthier growth, its wide range of technicals and formulations serves as a shield across the agricultural landscape.

66+

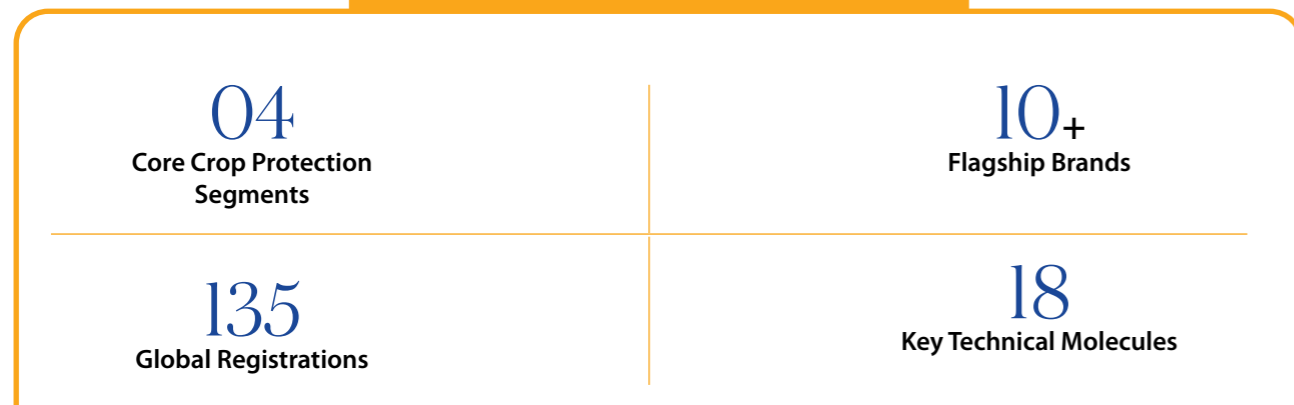
Total Products in Our Basket



Advanced Technical PORTFOLIO

Technical expertise spans a diverse range of active ingredients developed to address critical crop protection needs in modern agriculture. The portfolio supports effective pest control, disease management and weed protection, simultaneously providing higher productivity and improved crop outcomes.

Our Capabilities in Numbers



Insecticides	Fungicides	Herbicides
Broad-spectrum insecticide solutions designed to protect crops from damaging pests and improve yield quality across multiple crop applications.	Advanced fungicidal solutions that help prevent and control fungal diseases while supporting healthier crop development.	Effective weed management solutions developed to optimise crop nutrition uptake and improve agricultural productivity.
Key Products • Profenofos • Lambda-Cyhalothrin • Thiamethoxam • Omethoate	Key Products • Myclobutanil • Propiconazole • Azoxystrobin • Tricyclazole • Thifluzamide • Tebuconazole	Key Products • Pretilachlor • Metribuzin • Clodinafop-Propargyl • Bispyribac Sodium • Flucarbazone sodium

Farmer-Focused FORMULATIONS

Insecticides, fungicides, herbicides, plant growth regulators — NACL's formulations portfolio covers every critical intervention point in a crop's lifecycle. Each category is developed around the agronomic profile of specific crops, targeting defined threats rather than broad-spectrum claims. The portfolio's depth reflects decades of field experience: solutions calibrated to India's diverse growing conditions, designed to protect yield at every stage from emergence to harvest.

Insecticides

The insecticide formulations portfolio is developed to provide broad-spectrum pest management solutions that help protect crop health, minimise yield losses and enhance agricultural productivity across multiple crop segments.

Key Brands



Profex Super

This broad-spectrum insecticide provides effective control of sucking and chewing pests with quick knockdown and residual protection. Its dual mode of action disrupts the insect nervous system, ensuring rapid pest paralysis and death.



Cannon

A broad-spectrum insecticide that effectively controls sucking and chewing pests, offering rapid knockdown and extended residual protection through dual-action control.



Fury

A systemic granular insecticide that effectively controls stem borers and soil pests, providing uniform application and sustained protection.



Profex

A powerful dual-action insecticide that delivers rapid knockdown and long-lasting control against a wide range of chewing and sucking pests.



Nagarjuna 4G

This systemic granular insecticide effectively controls stem borers and leaf folder in rice through stomach action that disrupts nerve impulse transmission, leading to paralysis and death. Its granular formulation ensures uniform application and provides longer residual protection.



Hurricane Plus

A dual-action suspension concentrate that combines growth regulation and larvicidal activity for effective control of lepidopteran pests across multiple life stages.

Fungicides

This range supports effective disease prevention and control, helping improve crop quality, strengthen plant health and enhance productivity under varied farming conditions.

Key Brands



Sivic

Specially formulated for rice crops, it effectively controls blast disease, supporting healthier growth and higher yield potential.



Oscar

This broad-spectrum systemic fungicide offers preventive and curative control of a wide range of fungal diseases across crops.



Combi Plus

Delivers broad-spectrum protection against a wide range of fungal diseases, promoting healthier crops and improved yields.



Result

Ensures comprehensive disease management through broad-spectrum fungal control, enhancing crop health and maximising yield potential.



Mass Plus

Combines systemic action with proven efficacy to manage powdery mildew and sheath blight, promoting vigorous growth and improved productivity.



Font

Provides effective control of downy mildew and late blight, supporting healthy crop growth and productivity.

Herbicides

The herbicide portfolio offers targeted weed management solutions designed to optimise nutrient utilisation, reduce crop competition and improve field productivity.

Key Brands



Eraze

A selective pre-emergence herbicide that controls grasses, sedges and certain broad-leaf weeds in transplanted rice, ensuring weed-free crop establishment.



Eraze Strong

This selective pre-emergence granular herbicide offers broad-spectrum control of grasses, sedges and broad-leaf weeds in transplanted rice, ensuring early and sustained weed suppression for healthier crop growth.



Rozzer

A selective post-emergence herbicide that provides effective and long-lasting control of broad-leaf weeds and grasses in maize.



Point

This selective post-emergence herbicide targets annual grassy weeds in wheat, suppress weed competition and supporting vigorous crop growth.



Sirius

A selective early post-emergence herbicide that controls sedges, broad-leaf weeds and certain grasses in transplanted rice, promoting healthy crop growth.



Weed Sweep

A selective post-emergence herbicide that effectively controls annual and perennial grassy weeds in broad-leaf crops such as soybean without affecting the crop.

Plant Growth Regulators

Plant growth regulator solutions are formulated to enhance plant development, improve crop vitality and maximise yield potential through different stages of crop growth.

Key Brands



Atonik

Promotes plant vigour, enhances flowering and fruit setting and supports higher crop yields.



Gallant EG

Enhances phosphorus uptake through root symbiosis, promoting stronger root development and improved plant vigour.



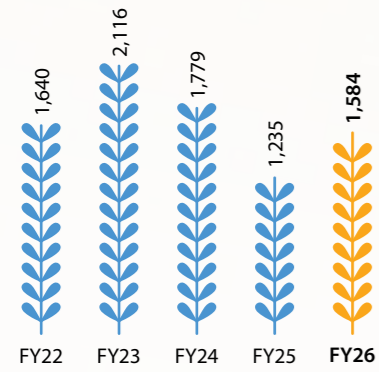
Nagarjuna Fast Spread

A silicone-based spray adjuvant that improves spreading, wetting and penetration for better spray coverage and enhanced agrochemical performance.

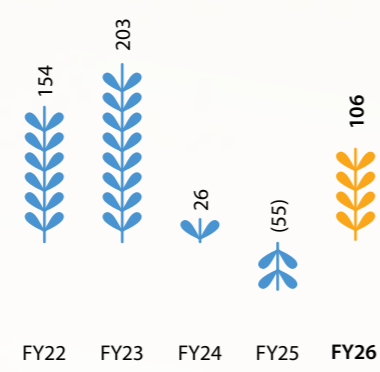


Key Performance INDICATORS

Revenue
(₹ in Crores)



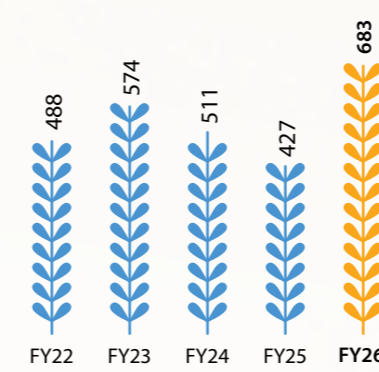
EBITDA
(₹ in Crores)



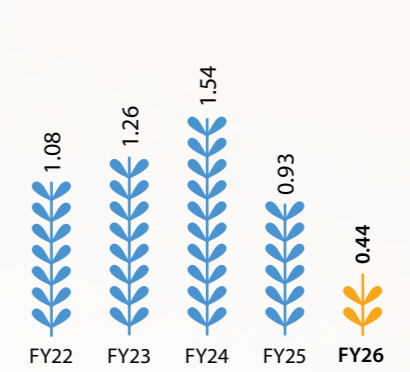
EBITDA Margin
(%)



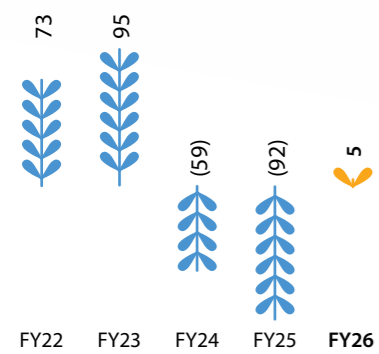
Net Worth
(₹ in Crores)



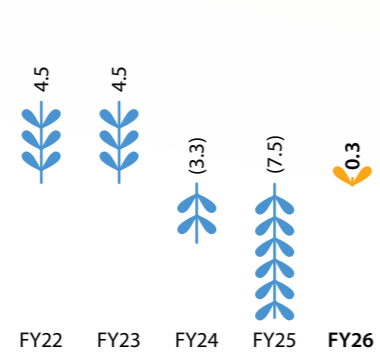
Debt Equity Ratio
(times)



Profit After Tax (PAT)
(₹ in Crores)



PAT Margin
(%)



Human Resource DEVELOPMENT

NACL is focused on building a Future-Ready, Digitally Enabled, and People-Centric Organisation.

FY 2025-26 marked a pivotal year of transformation enabling business continuity, accelerating cultural alignment and building the capabilities required for the next phase of growth.

Our Key Focus Areas:



Business Transformation, Strategic Communications & Workplace Improvement

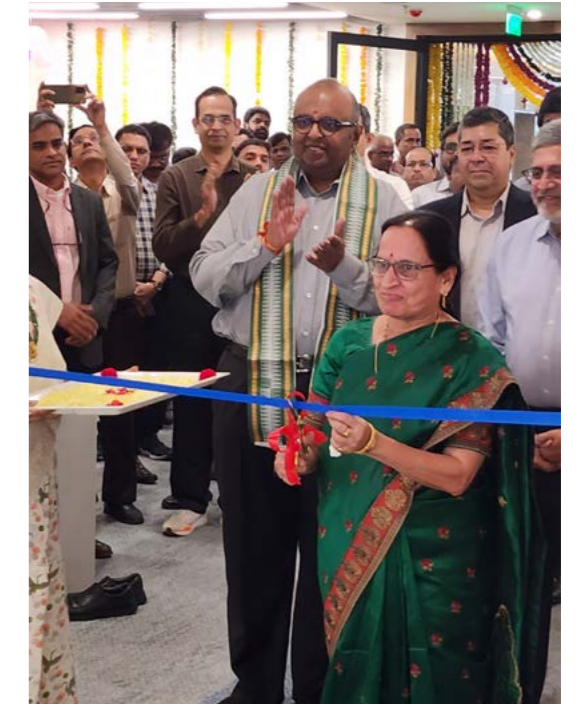
NACL successfully executed major organisational transitions in FY25-26 through effective communication and change management. The period proved NACL's excellence in strategic coordination, stakeholder management and people-centric delivery

Project Udaan — Corporate Office Transition

NACL had transitioned to the new corporate office under Project Udaan, ensuring world-class infrastructure, cutting-edge technology and a highly collaborative workspace for its teams.

Internal Communication Standards

NACL established baseline communication standards across the organisation to ensure consistent, timely and transparent information flow.

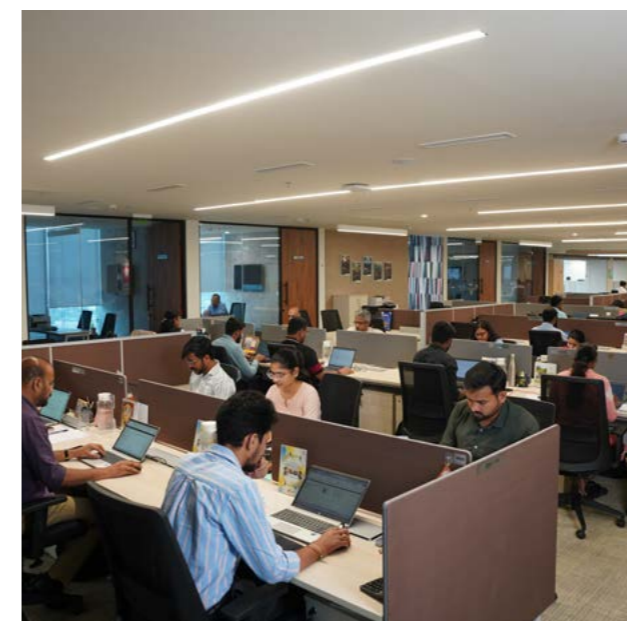


Digital Transformation

By introducing targeted process automation applications, NACL transformed operational efficiency—cutting turnaround times from days to hours and eliminating physical document handling. This initiative not only advanced our sustainability goals but also elevated data security, minimised miscommunication and fortified compliance via a centralised audit trail.

Employee Engagement & Culture

NACL successfully launched a structured measurement framework this year, reinforcing a workplace culture rooted in belonging, collaboration and shared purpose.



Learning & Development

Capability building is the primary investment an organisation makes in its future. FY 2025–26 saw a deliberate and structured approach to leadership development and future talent acquisition — building the bench strength required for sustainable growth.

HR Operations, Governance & Compliance

To support our broader strategic goals, NACL focused heavily on operational excellence in FY 2025–26. A comprehensive overhaul of our core workflows has delivered a more efficient, transparent and scalable corporate operating model.



Research Development ACCELERATING INNOVATION THROUGH EXCELLENCE

Insecticides, fungicides, herbicides, plant growth regulators — NACL's formulations portfolio covers every critical intervention point in a crop's lifecycle. Each category is developed around the agronomic profile of specific crops, targeting defined threats rather than broad-spectrum claims. The portfolio's depth reflects decades of field experience: solutions calibrated to India's diverse growing conditions, designed to protect yield at every stage from emergence to harvest.



Strategically Positioned for Innovation and Growth

Located on a three acre campus near Hyderabad, our R&D Centre serves as a hub for scientific innovation and technological advancement. Situated within a strong industrial and research ecosystem, the facility benefits from access to skilled talent, collaborative opportunities and advanced resources. The centre is designed to foster creativity, accelerate product development and support customer-focused innovation aligned with evolving global market requirements.

Formulation Development & Advanced Technologies

Our formulation development capabilities are supported by robust laboratory infrastructure and advanced technologies. By combining formulation science, process optimisation and technical expertise, we develop differentiated solutions offering enhanced stability, superior performance and consistent quality. These capabilities enable faster product

development, operational efficiency and the creation of value-added solutions that strengthen customer competitiveness.

Good Laboratory Practices (GLP)

Quality, precision and scientific integrity are integral to our operations. The R&D facility is accredited under Good Laboratory Practice (GLP) by the National GLP Compliance Monitoring Authority (NGCMA), Department of Science & Technology, Government of India. Our systems and facilities comply with OECD GLP principles, ensuring reliable, reproducible and internationally accepted data. Backed by advanced infrastructure and strong quality systems, we conduct a wide range of studies focused on compliance, accuracy and operational excellence.

Key Areas of GLP Expertise

- Batch analysis with impurity profiling
- Method development and validation
- Product chemistry
- Product stability studies



Recognitions and Certifications

The Hyderabad R&D facility has achieved several important recognitions, including:

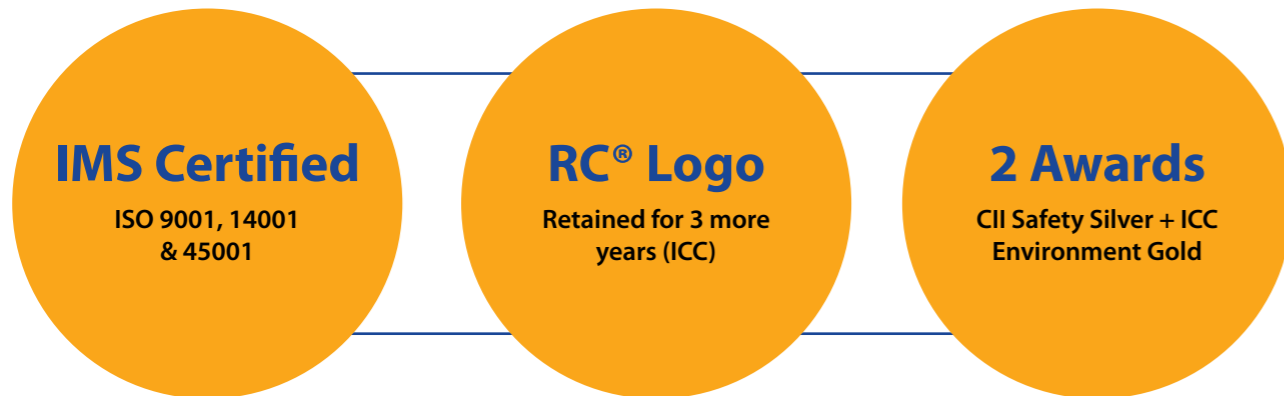
ISO 17025:2017 accreditation from NABL

Integrated Management System (IMS) certification (ISO 9001, ISO 14001 and ISO 45001) from SGS

Recognition by the Department of Scientific and Industrial Research (DSIR), Government of India.

Our Excellence in QUALITY, ENVIRONMENT, HEALTH & SAFETY(QEHS)

Guided by the Murugappa Group's core values — Integrity, Passion, Quality, Respect and Responsibility — NACL integrates sustainability, safety and compliance into every layer of its operations. The QEHS framework is not a compliance checkbox; it is the architecture through which operational excellence is built and sustained.



During FY2025–26, NACL strengthened its QEHS systems through continuous improvement initiatives, tighter compliance management, process safety implementation and structured employee engagement. Integrated Management System (IMS) audits were completed across all locations via SGS. The Dahej facility achieved IMS certification integrating ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 — a milestone that reflects the maturity of the Company's management systems.

The Responsible Care® Logo certification from the Indian Chemical Council (ICC) was retained for an additional three years, reaffirming NACL's standing on responsible chemical management, environmental stewardship and operational safety.

Key focus areas for the year:

- Continuous improvement in manufacturing and R&D operations
- Enhanced compliance management systems
- Strengthened process safety practices aligned with Responsible Care Process

Safety's 20-element framework, aligned with OSHA PSM and CCPS RBPS standards

- Employee engagement and safety awareness programs
- Employee engagement and awareness programmes



Quality

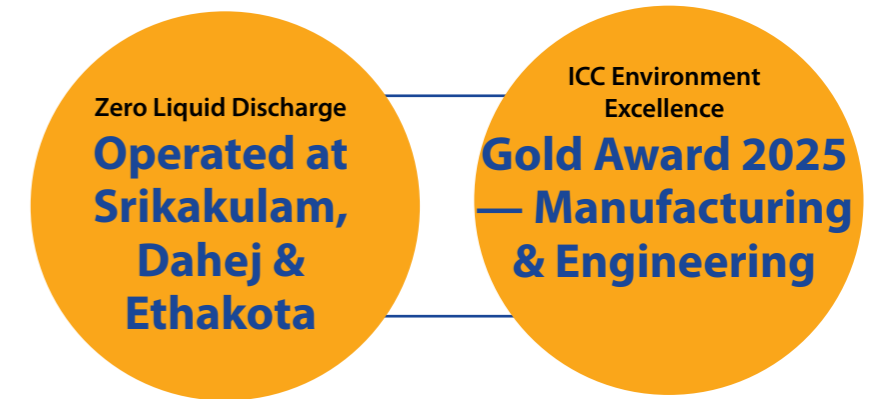
Quality continues to remain central to NACL's operational excellence strategy. The Company maintains robust Quality Management Systems integrated across its manufacturing facilities and R&D operations. NABL-accredited laboratories at Srikakulam, Ethakota and the R&D Centre at Nandigama support advanced analytical capabilities, testing processes and quality assurance standards.

Continuous improvement initiatives through Manufacturing Excellence programmes, Lean practices, Quality Circles and process optimisation initiatives continued to improve product quality, operational efficiency, productivity and innovation capabilities across operations.

Environment

Environmental performance is tracked, reported and acted on — not just declared. NACL's environmental management approach spans resource

conservation, pollution prevention, waste minimisation and technology adoption, with real-time monitoring integrated into regulatory systems.



- New ETP-cum-STP system based on Membrane Bioreactor (MBR) technology installed at the R&D Centre
- Treated water reused for utility and horticulture — reducing freshwater dependency
- Online effluent and emission monitoring at Srikakulam, integrated with Pollution Control Board servers
- Greenbelt development continued across manufacturing locations for biodiversity and air quality
- Energy efficiency, water conservation, waste minimisation and emission reduction initiatives sustained across all sites

Health

A safe workplace starts with a healthy workforce. Fully equipped Occupational Health Centres (OHCs) operate 24/7 across all manufacturing locations, staffed by qualified medical professionals and supported by emergency response infrastructure and occupational health monitoring systems.

The Company's OHS practices align with ISO 45001:2018 standards and cover workplace safety, occupational hygiene, risk assessment, hazard identification and exposure monitoring.

Medical examination schedule:

- Manufacturing facility employees: comprehensive check-ups on a half-yearly basis
- R&D Centre and Corporate Office employees: annual medical examinations

Proactive occupational exposure assessments, workplace health monitoring and wellness awareness programmes support early identification

of health risks and reinforce the Company's duty of care to its workforce and contract employees.



Safety

Safety at NACL is a value, not a metric. The Company's safety culture is supported by structured systems, advanced fire protection infrastructure, Permit-to-Work (PTW) protocols, emergency preparedness frameworks and continuous employee engagement.

Process Safety & Risk Management

The Process Safety Management (PSM) framework was further strengthened during FY 2025-26 through HAZOP reviews, hazard identification studies, risk mitigation initiatives and enhanced operational controls. Behaviour-Based Safety (BBS) Programmes — expanded across all locations — improved employee participation, reinforced safe work practices and encouraged proactive hazard reporting.

Employee Engagement & Safety Awareness

Safety culture is built through participation, not instruction. Key programmes conducted during the year:

- National Safety Week, World Environment Day, Fire Service Day, Electrical Safety Week
- Suraksha Sammelan and Suraksha Yojana initiatives for frontline workforce engagement
- Safety Monthly Star programmes — recognising individual contributions to safety excellence



Awards & Recognitions

CII Industrial Safety Excellence Award 2025
Silver Category — Srikakulam Plant

ICC Technology Excellence Award 2026
Sustainability Excellence — Large Enterprise Category

Compliance & Continuous Improvement

Full statutory compliance was maintained across all applicable requirements during the year. Approvals for ongoing expansion projects continued to progress with the CPCB and respective SPCBs. The focus going forward remains on strengthening safety systems, operational reliability and the human behaviours that sustain them.



Building a RESPONSIBLE FUTURE

NACL Industries Limited continues to strengthen its sustainability journey through focused environmental initiatives. The Company integrates environmental considerations directly into its manufacturing processes — from design to disposal — guided by a clear framework of targets, disclosures and accountability.

All major projects undergo Environmental Impact Assessments (EIA) before implementation. Zero Liquid Discharge (ZLD) systems operate across all manufacturing facilities. The 5R framework — Refuse, Reduce, Reuse, Recycle, Recover — governs resource utilisation across operations, while hazardous waste management practices align with CPCB/SPCB guidelines and Extended Producer Responsibility (EPR) obligations are met through structured recycling and disposal programmes.

Key Sustainability Initiatives:

- Zero Liquid Discharge (ZLD) systems across manufacturing facilities.
- Wastewater recovery and reuse practices.
- Resource optimisation through the 5R framework.
- Responsible hazardous waste management.
- EPR compliance through structured recycling programmes.
- Process optimisation and operational efficiency initiatives.
- Continuous focus on energy efficiency, water conservation and emission reduction.



Site-wise Sustainability Report for FY 2025–26

Srikakulam, Andhra Pradesh

Parameter	FY25	FY26	Improvement
Energy Consumption (toe/ton)	1.64	1.53	6.71% Reduction
Power Consumption (kWh/ton)	2814	2487	11.62% Reduction
Water Consumption (m ³ /ton)	13.33	12.39	7.05% Reduction
Hazardous Waste (kg/ton)	630	610	3.17% Reduction
Carbon Emissions (tCO ₂ e/ton)	6.38	5.94	6.90% Reduction

Ethakota, Andhra Pradesh

Parameter	FY25	FY26	Improvement
Energy Consumption (toe/ton)	0.016	0.01577	1.44% Reduction
Power Consumption (kWh/ton)	54.39	54.79	0.73% Increase
Water Consumption (m ³ /ton)	0.582	0.585	0.51% Increase
Hazardous Waste (kg/ton)	0.015	0.0096	36.00% Reduction
Carbon Emissions (tCO ₂ e/ton)	0.0566	0.0562	0.62% Reduction

The Ethakota site maintained stable operational performance during the year while achieving significant improvement in hazardous waste reduction.

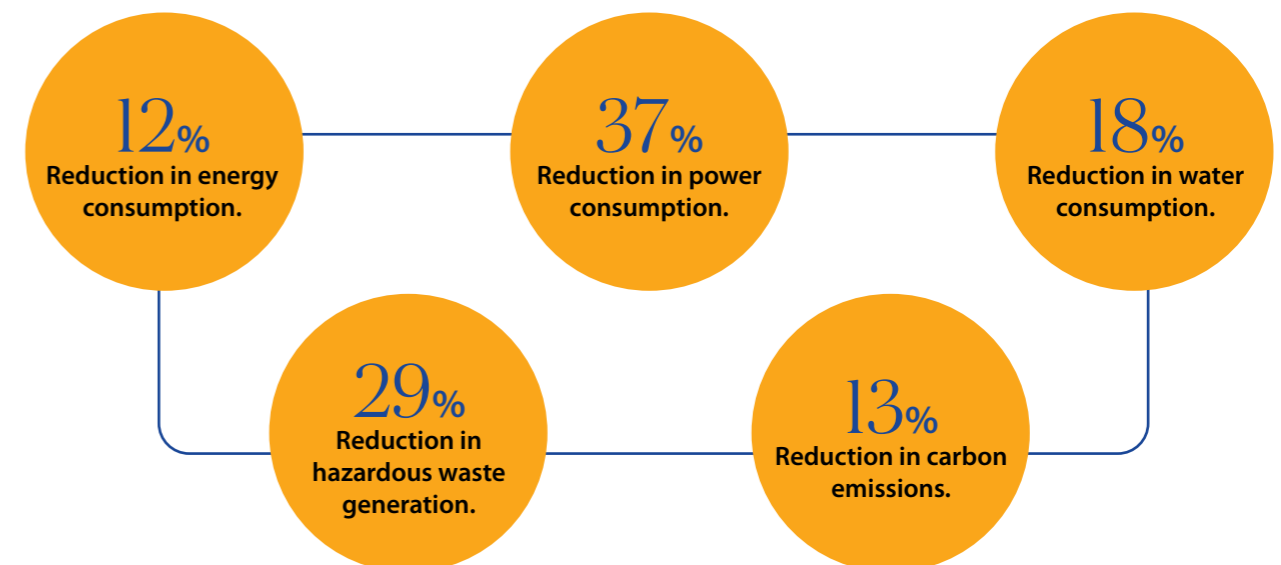
Dahej, Gujarat (Spec Chem)

Parameter	FY25	FY26	Improvement
Energy Consumption (toe/ton)	0.78	0.71	8.97% Reduction
Power Consumption (kWh/ton)	2206	1909	13.40% Reduction
Water Consumption (m ³ /ton)	14.17	12.83	9.46% Reduction
Hazardous Waste (kg/ton)	360	260	27.70% Reduction
Carbon Emissions (tCO ₂ e/ton)	3.04	2.75	9.54% Reduction

The Dahej facility demonstrated significant improvements across all major sustainability parameters through focused operational optimisation and resource efficiency measures.

Overall Sustainability Progress

Compared to the FY 2022 baseline, NACL Industries Limited achieved notable improvements across key environmental performance indicators, as given below:



Board of DIRECTORS



Mr. Arun Alagappan

Non-Executive Chairman

Mr. Arun Alagappan is the Non-Executive Chairman of NACL Industries Limited and Executive Chairman of Coromandel International Limited (CIL). He belongs to the fourth generation of the Murugappa family. He currently serves as the President of the Southern India Chamber of Commerce & Industry (SICCI) and is an Independent Director on the Board of LMW Limited.

He began his career with GE Capital Services India in 1997. After a two-year stint with GE, he joined the Murugappa Group in 1999 at Parryware (part of EID Parry India Ltd.). Between 2005 and 2017, he served at Tube Investments of India Limited, heading various divisions and eventually took over as Business Head of TI Cycles. In August 2017, he was appointed Executive Director of Cholamandalam Investment and Finance Company Limited and subsequently took over as Managing Director in November 2019. At Cholamandalam, he led the company through a phase of strong operational and financial transformation — enhancing profitability, expanding branch presence and turning around the Home Loans business — while institutionalising digital platforms, strengthening risk governance and steering the company through the COVID-19 period.

As Non-Executive Chairman of NACL Industries Limited, Mr. Alagappan provides strategic stewardship and Board-level oversight, guiding the company's integration within the Coromandel group, supporting its operational turnaround and growth agenda and reinforcing its position as a focused crop protection player in the Indian agri-inputs landscape.

Mr. Alagappan is an alumnus of Harvard Business School and has been recognised as Business Today India's Best CEO in the Agriculture and Allied category.



Dr. Raghuram Devarakonda

Managing Director & Chief Executive Officer

Dr. Raghuram Devarakonda is the Managing Director and Chief Executive Officer of the Company.

Dr. Devarakonda has over 30 years of experience across Indian industry and business consulting. He began his professional career as a management consultant with Accenture, Mumbai. He subsequently worked with the Murugappa Group as Head – Corporate Strategy and Planning and also served as Business Head of TI Cycles for nearly six years. During his second stint with Accenture, he held the position of Managing Director (Partner) – Advanced Customer Strategy. He also served as Chief Operating Officer at Ramco Cements.

Prior to being deputed to the Company, Dr. Devarakonda worked as the Executive Director in Coromandel International Limited and headed its Crop Protection, Retail and Bio Products businesses.

Dr. Devarakonda holds a B.Tech. degree from Indian Institute of Technology Mumbai, a Ph.D. in Mechanical Engineering from University of California, Berkeley.



Mr. Sankarasubramanian S

Non- Executive Director

Mr. Sankarasubramanian is the Non-executive Director of the Company and holds a degree in Mathematics from the University of Madras and is a member of The Institute of Cost and Management Accountants of India. He has also completed the Advanced Management Program at Harvard Business School in 2009.

Mr. Sankarasubramanian brings over three decades of diverse experience spanning finance, strategy and general management. He began his career with E.I.D. Parry (India) Limited in 1993 in corporate finance, where he progressed through various roles before joining Coromandel International Limited in 2003.

At Coromandel, he has held several key leadership positions, including overseeing business finance and treasury functions and later serving as Chief Financial Officer from 2011. In 2017, he transitioned to a business leadership role to head the Fertiliser business. He was appointed Executive Director to lead the Nutrient business in 2023, where he played a pivotal role in driving strategic initiatives to strengthen the nutrient business segment. He was appointed as Managing Director & CEO of Coromandel International Limited in August 2024.

Mr. Sankarasubramanian brings deep expertise in business strategy, general management, mergers and acquisitions and policy engagement especially in the fertiliser sector and has been actively steering the strategic growth initiatives of the company across business verticals and geographies.

He is currently serving as Chairman of the Fertiliser Association of India and also represents the company in the boards of Tunisian Indian Fertiliser S.A. (Tunisia), Foskor (Pty) Ltd. (South Africa) and certain subsidiaries of the Company.



Mr. Suresh Subramanian

Independent Director

Mr. Suresh Subramanian is a Fellow Member of The Institute of Chartered Accountants of India and holds a Bachelor of Commerce degree from Shri Ram College of Commerce, University of Delhi.

Mr. Subramanian has over 40 years of extensive experience in the auditing and accounting profession, having worked with several of the Big Four accounting firms in India. During the course of his distinguished career, he served as the lead audit partner for various Indian as well as multinational corporations. He possesses significant expertise in conducting audits under multiple GAAP frameworks and has undertaken various audit-related and advisory assignments.

He has a strong understanding of accounting requirements and complexities across diverse industry sectors, having led and participated in audit and other professional engagements for several national and multinational organisations.

Mr. Subramanian currently holds directorships in the following companies which is Coromandel International Limited, Saksoft Limited, Delphi-TVS Technologies Limited, Dhaksha Unmanned Systems Private Limited and Sundaram Trustee Company Limited.



Mr. B. Raghavendra Rao

Independent Director

Mr. B. Raghavendra Rao is a highly accomplished banking professional with over 33 years of extensive experience in treasury operations, high-value corporate credit, international banking and retail credit operations, primarily with State Bank of India.

He holds a Postgraduate degree in Engineering [M.Sc. (Tech)] in Instrumentation Engineering from Andhra University. Mr. Rao is also a Certified Associate of the Indian Institute of Bankers and a Certified AML/KYC Professional from Association of Certified Anti-Money Laundering Specialists (ACAMS). He has further enhanced his strategic and leadership capabilities through executive education programmes at Chicago Booth School of Business and London Business School.

Over the course of his distinguished career, Mr. Rao held several senior leadership positions at State Bank of India, including Deputy Managing Director and Chief General Manager, where he oversaw key verticals such as the Global Markets Unit and Corporate Accounts Group. He also served overseas for seven years, leading SBI's flagship international branches as CEO in London and Maldives, in addition to earlier assignments in Germany.

His deep expertise in treasury and market operations is reflected in his tenure as Chairman of Fixed Income Money Market and Derivatives Association of India (FIMMDA) and Foreign Exchange Dealers Association of India (FEDAI), demonstrating his significant contribution to the Indian financial markets.

Mr. Rao has also served as a Nominee Director on the Boards of Clearing Corporation of India Limited (CCIL) and Central Warehousing Corporation (CWC). He is currently serving as an Independent Director on the Board of Bank of Baroda BNP Paribas Mutual Fund Trustee Company Private Limited since February 14, 2025 and also holds directorships in Dhaksha Unmanned Systems Private Limited and Canara Bank.



Dr. Lakshmi Kantam Mannepalli

Independent Director

Dr. Lakshmi Kantam Mannepalli holds B.Sc., M.Sc. and Ph.D. degrees and is a distinguished professional with over 40 years of research experience in the design and development of catalysts and process chemistry. She is currently serving as the Dr. B. P. Godrej Distinguished Professor of Green Chemistry and Sustainability Engineering in the Department of Chemical Engineering at the Institute of Chemical Technology, Mumbai, India.

Dr. Kantam previously served as the Director of CSIR-Indian Institute of Chemical Technology. She is presently serving on the Boards of Godavari Biorefineries Limited, Prasol Chemicals Limited and Vinati Organics Limited.



Mr. Sanjiv Lal

Independent Director

Sanjiv Lal is a Chemical Engineering, having earned a B.Tech degree from the Indian Institute of Technology, Delhi, in 1983. Additionally, he has pursued executive development to enhance his leadership capabilities, including the Management Development Program at IMD Switzerland in 2000 and the Tata Strategic Leadership Program in 2007.

Sanjiv's career is marked by extensive experience across two iconic organisations, the Tata Group and Hindustan Unilever. He served as the Managing Director and CEO of Rallis India Ltd, a listed subsidiary of Tata Chemicals and a leading crop care company, from 1st April'19 to 31st March'24. He was instrumental in driving Rallis India's focus on growth, innovation, sustainability and technology adoption.

Before Rallis India, Sanjiv held the position of Chief Operating Officer of the India Chemicals Business at Tata Chemicals. Earlier, he headed the Agri Retail Business and led organisational transformation, business excellence initiatives as well as headed the Information Technology function. In 2010, Sanjiv was deputed to Morocco for two years as the Joint Managing Director at Indo Maroc Phosphore SA, a joint venture of Tata Chemicals. Before joining Tata Chemicals in 2004, Sanjiv spent 21 years at Hindustan Unilever (formerly Hindustan Lever), gaining extensive experience in various functions, including manufacturing and specialty chemicals.

Corporate INFORMATION

Board of Directors

Mr. Arun Alagappan
Non- Executive Chairman
(Appointed on October 10, 2025)

Mr. Natarajan Srinivasan
Chairman
(Resigned on October 14, 2025)

Dr. Raghuram Devarakonda
Managing Director & CEO
(Appointed on August 08, 2025)

Mr. Sankarasubramanian S
Non Executive Director
(Appointed on August 08, 2025)

Mr. Suresh Subramanian
Independent Director
(Appointed on August 08, 2025)

Mr. B. Raghavendra Rao
Independent Director
(Appointed on August 08, 2025)

Dr. M. Lakshmi Kantam
Independent Director
(Appointed on January 23, 2024)

Mr. Sanjiv Lal
Independent Director
(Appointed on August 08, 2025)

Key Managerial Personnel

• **Mr. N Shankar**
Chief Financial Officer
(Appointed on December 01, 2025)

• **Mr. Anish T Mathew**
Chief Financial Officer
(Resigned effective Dec 01, 2025)

• **Mr. Rajesh Mukhija**
Company Secretary
(Appointed on May 05, 2026)

• **Satish Kumar Subudhi**
Company Secretary
(Resigned effective May 04, 2026)

Statutory Auditors

M/s S. R. Batliboi & Associates LLP
Firm's Registration No. 101049W/
E300004

THE SKYVIEW 10
18th Floor, "NORTH LOBBY"
Survey No. 83/1, Raidurgam
Hyderabad - 500 032, India
Tel : +91 40 6141 6000
(Appointed on August 08, 2025)

Cost Auditors

M/s K. Narasimha Murthy & Co.
Firm Registration No. 4042
No. 3-6-365, 104 & 105, Pavani Estate,
Himayat Nagar, Hyderabad-500029,
Telangana State, India.

Secretarial Auditor

Sridharan & Sridharan Associates,
Company Secretaries
New No. 12 Old No. 371 A3, Sri Sai
Kripa, Unnamalai Ammal Street,
T. Nagar, Chennai 600017

Share Transfer Agents

M/s XL Softech Systems Limited
No. 3, Sagar Society, Road No. 2,
Banjara Hills,
Hyderabad-500034,
Telangana State, India.

Bankers

- HDFC Bank
- Axis Bank

Registered Office

Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad,
Hyderabad, Telangana – 500003, +91-40-24405100,
info@nacl.murugappa.com, www.naclind.com,

CIN: L24219TG1986PLC016607

Corporate Office: 17th Floor, Pranava One Hyderabad,
Commercial Block, Plot No.6-3-654/1 to 9 and 6-3-654/A,
Somajiguda, Hyderabad, Telangana - 500082, India

Factory – Technical

Arinama Akkivalasa, Etcherla Mandal,
Srikakulam-532403 andhra Pradesh,
India.

Factory – Formulation

Unit-I & Unit-II
Ethakota(V), Ravulapalem(Mandal),
Dr. B.R. Ambedkar Konaseema(Dist),
Andhra Pradesh-533238

R & D Centre

Nandigam (V), Kandi,
Rangareddy District,
Telangana, India-502228

Factory – Technical

NACL Spec-Chem Limited
Dahej-II Industrial Estate, Plot No.
D-2/11/D/3/2
(GIDC Estate, Dahej-II Industrial Area,
Taluka Vagra, Bharuch,
Gujarat-392130 India)

Corporate Identification Number

L24219TG1986PLC016607

Listing

- BSE Limited (BSE), Mumbai
- National Stock Exchange (India) Limited (NSE), Mumbai

AGM Notice

To the Members of

NACL Industries Limited

NOTICE is hereby given that the Thirty-Ninth (39th) Annual General Meeting of NACL Industries Limited will be held on Wednesday, July 22, 2026, at 03.30 P.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company.

ORDINARY BUSINESS

To consider, and if thought fit, pass the following resolutions as Ordinary Resolutions:

ITEM No. 1

To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, the Report of the Auditors' thereon and the Report of the Board of Directors.

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, the Report of the Auditors' thereon and the Report of the Board of Directors be and are hereby received, considered and adopted."

ITEM No. 2

To consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, and the Report of the Auditors' thereon.

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, and the Report of the Auditors thereon be and are hereby received, considered and adopted."

ITEM No. 3

To re-appoint Mr. Sankarasubramanian S (DIN: 01592772), who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) Mr. Sankarasubramanian S, Non-Executive Director (DIN: 01592772), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

ITEM No. 4

To consider, and if thought fit, pass the following resolution as Ordinary Resolutions:

To ratify the remuneration of the Cost Auditors for the financial year 2026-27.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules,

2014, including any statutory modification or re-enactment thereof for the time being in force), the remuneration of ₹8,00,000/- (Rupees Eight Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s. K. Narasimha Murthy & Co., Cost Auditors of the Company, for the financial year ending March 31, 2027, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all necessary actions and do all such acts, deeds and things as may be necessary to give effect to this resolution."

ITEM No. 5

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

To approve revision in remuneration payable to Dr. Raghuram Devarakonda (DIN: 09749805), Managing Director & Chief Executive Officer of the Company.

"RESOLVED THAT in partial modification of the Resolution No. 4 passed by the Members vide Postal Ballot on 17th September, 2025, pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or re-enactment thereof for the time being in force, and the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, approval of the Members of the Company be and is hereby accorded for revision in the remuneration payable to Dr. Raghuram Devarakonda (DIN: 09749805), Managing Director & Chief Executive Officer of the Company, with effect from April 01, 2026, for the remainder of his tenure.

RESOLVED FURTHER THAT Dr. Raghuram Devarakonda (DIN: 09749805), Managing Director & Chief Executive Officer, be paid revised remuneration by way of salary, allowances, perquisites, performance incentive, stock options and other benefits, as may be approved by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers conferred by this resolution) of the Company, based on the recommendations of Nomination

and Remuneration Committee, in accordance with the provisions of Section 197 and Schedule V of Companies Act, 2013 and applicable provisions of SEBI Listing Regulations.

A. Fixed Compensation:	
Basic Salary (Fixed Compensation):	₹14,32,900/- (Rupees Fourteen Lakhs Thirty-Two Thousand and Nine Hundred only) per month with such increments as may be decided / recommended by the Nomination and Remuneration Committee and approved by the Board, from time to time.
B. Annual Performance Pay:	
Incentive or Variable Pay:	As may be determined/ recommended by the Nomination and Remuneration Committee and approved by the Board, based on the achievement of the performance parameters laid down, but not higher than 70% of annual basic pay.
C. Others:	
Allowances and Perquisites:	Allowances like House Rent Allowance, Leave Travel Allowance, Special Allowance, Additional Special Allowance, Special Allowances, Foreign Travel & Others and/or any other allowance, as determined and recommended by the Nomination and Remuneration Committee and approved by the Board, subject to a maximum of 100% of Basic Salary.
Retirement Benefits:	1. Contribution to Provident Fund, Superannuation Fund and Gratuity. 2. Encashment of leave as per rules of the Company in force.

D. Other allowances and Perquisites:

Perquisites shall include provision of furnished / unfurnished accommodation, personal accident insurance, reimbursement of medical expenses - Domiciliary & Hospitalization for self and family, Mediciam Insurance Coverage for self & family, subscription to clubs, Term Insurance-Accidental & Non-Accidental, provision of cars as per the rules of the Company in force from time to time and any other perquisites, benefits, amenities as may be decided from time to time and recommended by the Nomination and Remuneration Committee and approved by the Board.

Perquisites shall be valued in terms of actual expenditure incurred by the Company in providing benefit to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes and loans) the perquisites shall be valued as per income tax rules.

Provision of telephones at residence and expenses on account of cars for official use shall not be reckoned as perquisites.

Entitlement for Stock options as per the Company's Employee Stock Options Scheme/ Plan as may be decided from time to time by the Nomination and Remuneration Committee and the Board of Directors.

Dr. Raghuram Devarakonda, Managing Director & Chief Executive Officer, will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.

Dr. Raghuram Devarakonda, Managing Director & Chief Executive Officer, will be subject to all other service conditions as applicable to any other senior management employee of the Company.

"RESOLVED FURTHER THAT the Board of Directors and/or any Committee of the Board / Person authorized by the Board, be and is hereby severally authorized to take all necessary actions and do all such acts, deeds and things as may be necessary to give effect to this resolution."

Place: Hyderabad

Date: May 04, 2026

By order of the Board

Satish Kumar Subudhi

Company Secretary

(FCS: 9085)

Notes:

1. The Ministry of Corporate Affairs (MCA) vide its various General Circulars Nos. 14/2020 dated April 8, 2020 and 03/2025 dated September 22, 2025, has permitted the holding of the AGM through VC/OAVM, (e-AGM/AGM) without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM (e-AGM/AGM), the registered office of the Company shall be deemed to be the venue for the AGM.
2. In accordance with the MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 3, 2024 issued by Securities and Exchange Board of India (collectively referred to as "SEBI Circulars"), this e-AGM Notice, together with the Annual Report for the financial year 2025-26, is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. The e-AGM Notice and Annual Report of the Company are also available on the Company's website at www.naclind.com and on the website of the Stock Exchanges where the shares of the Company are listed viz., BSE Limited - www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com. Members who have not registered their email address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
3. The statement setting out material facts concerning business under Item Nos. 4 & 5 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
4. As this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with and they can attend the meeting through login credentials provided to them. Accordingly, the facility for appointments of proxy by the Members will not be available and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. Members attending the AGM through VC/OVAM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (preferably PDF Format) of the Board Resolution/ Authority Letter, etc., pursuant to Section 113 of the Companies Act, 2013 ("the Act"), together with attested signature(s) of the duly authorised representative(s), to the Scrutinizer through email ID: rsaevoting@gmail.com with a copy marked to evoting@nsdl.com. The file name of the scanned copy of the above-mentioned documents should be named as "NACL- 39th AGM".
6. As an eco-friendly measure intending to benefit the environment and society at large, we request you to be a part of the e-initiative and register your e-mail address to receive all communication and documents including annual reports from time to time in electronic form. Members holding shares in dematerialized form, may send such communication to their respective DPs and those holding shares in physical form may send such communication to RTA. In compliance with the circulars, the notice of the AGM and annual report for FY 2025-26 are sent only through electronic mode to all those shareholders whose email addresses are registered with the RTA / DPs. Physical / hard copies of the same will be sent, if specifically requested by a member.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in the Notice will be available for inspection in electronic mode, during the remote e-voting period. Members can send an email for the purpose to investors@nacl.murugappa.com.
8. Unclaimed Dividend and Transfer of shares to IEPF:
 - a. The Members are hereby informed that dividends which remain unpaid or unclaimed for a period of seven (7) years shall be transferred to the Investor Education and Protection Fund ("IEPF") constituted by the Central Government under Section 125 of the Companies Act, 2013.
 - b. As no dividend was declared for the financial year 2018-19, the provisions relating to transfer of shares to the Investor Education and Protection Fund (IEPF) Authority are not applicable.

Members may visit the Company's website at www.naclind.com for details of shares transferred to the IEPF Authority, if any.
 - c. The dividend amount and shares transferred to the IEPF can be claimed by the members concerned from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at www.naclind.com and the said details

have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in.

9. SEBI vide its circular dated May 30, 2022 has provided an option for arbitration as a dispute resolution mechanism for investors and investors can opt for arbitration with stock exchanges in case of any dispute against the company or its RTA on delay or default in processing any investor services related request. The details of arbitration mechanism are available on the company's website and the same can be accessed at www.naclind.com.
10. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/ HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: <https://www.sebi.gov.in/>.
11. As per Regulation 40 of SEBI Listing Regulations, all requests for transfer of securities including transmission and transposition, issue of duplicate share certificate; claim from unclaimed suspense account; renewal/exchange of share certificate; endorsement; sub-division/splitting of share certificate; consolidation of share certificates/folios shall be processed only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
12. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agent XL Softech System cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Members holding shares in electronic form are, therefore, advised to intimate any change in their address or bank mandates to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates to XL Softech System Limited.

13. Mandatory furnishing of PAN, bank account details, KYC details and nomination by shareholders holding shares in physical mode: Members holding shares in physical mode are requested to note that SEBI vide its circular SEBI/HO/ MIRSD/MIRSD-PoD1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/ POD-1/P/CIR/2023/181 dated November 17, 2023, has made it mandatory for holders of physical securities to furnish PAN, bank account details, email address, mobile number, postal address (KYC details), and to register their nomination or optout of nomination. SEBI has notified forms for the purpose, as detailed below:

Forms	Descriptions
Form ISR-1	Request for registering PAN, KYC details or changes / up-dation thereof
Form ISR-2	Confirmation of Signature of securities holder by the Banker
Form SH-13	Nomination form
Form ISR-3	Declaration for opting-out Nomination by holders of physical securities in Listed Companies.
Form SH-14	Cancellation or variation of Nomination

The above forms can be downloaded from the following weblinks: www.naclind.com.

Members holding shares in physical mode are requested to send the duly filled forms i.e., Form ISR-1, Form ISR-2, Form SH-13, SH-14 or Form ISR-3 and along with requisite documents as mentioned in the respective forms to the address of XL Softech Systems Limited.

14. Issuance of securities only in demat mode: As per Regulation 39 and 40 of the Listing Regulations, the Company shall issue securities in dematerialized form only while processing any requests from shareholders holding shares in physical mode in respect of i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub- division / Splitting of securities certificate; vi. Consolidation of securities certificates/ folios; vii. Transmission and viii. Transposition ("service requests"). The shareholders shall submit duly filled up Form ISR-4 along with requisite documents to RTA. The form ISR-4 is available on the website of the Company at <https://www.naclind/investors-information/>. The RTA/ Company shall verify and process the service requests and thereafter issue a "Letter of Confirmation" to the shareholders in lieu of the physical share certificates. The "Letter of Confirmation" shall be valid for 120 days from the date of its issuance within which shareholders shall make a request to the Depository Participant for dematerializing the said shares. In case the shareholder fails to submit the demat request within the aforesaid period, RTA / Company shall credit the securities to Suspense Escrow Demat Account of the Company.

15. Mandatory furnishing of Valid PAN, KYC details and Nomination by shareholders

Shares held in demat form:

SEBI has mandated updation of valid PAN, i.e., linking of PAN with Aadhaar, Nomination or opt out of nomination and updation of KYC details, i.e., Name, Address, Valid PAN, Valid mobile number, Valid email-id and Income Range in the demat account of shareholders holding shares in demat mode. The demat accounts wherein the above details have not updated for all the 6 KYC attributes, such demat accounts would have been frozen for debits. Shareholders holding shares in demat mode are requested to approach their Depository participants and update the details at the earliest.

Shares held in physical form:

SEBI vide its Circular dated March 16, 2023 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. In terms of the above Circular, folios of physical shareholders wherein any one of the above said details such as PAN, email address, mobile number, bank account details and nomination are not available, are required to be frozen with effect from October 1, 2023 and such physical shareholders will not be eligible to lodge grievance or avail service request from the RTA of the Company and will not be eligible for receipt of dividend in physical mode. Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to

Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, after December 31, 2025. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the Company at www.naclind.com information/ and furnish the requisite details.

16. Procedure for remote e-Voting:

In compliance with the provisions of Section 108 of the Act and Rules made thereunder, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the Company is pleased to provide the e-Voting services of National Securities Depositories Limited (NSDL) to the members to exercise their right to vote on all the resolutions set forth in this Notice.

GUIDELINES FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING:

The remote e-voting period begins on Sunday, July 19, 2026 at 09:00 A.M IST. and ends on Tuesday July 21, 2026 at 05:00 P.M IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, July 17, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, July 17, 2026.

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

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


Step 1: Access to NSDL e-Voting system


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


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


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

NSDL Mobile App is available on









Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password
 - c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

General Guidelines for Institutional Shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@nacl.murugappa.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@nacl.murugappa.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The Instructions for Members for E-Voting on the Day of the AGM Are as Under:

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

Instructions for Members for Attending the AGM through VC/ OAVM are as under:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps

mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at investors@nacl.murugappa.com. The same will be replied by the company suitably.
6. Members who would like to express their views/ ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered e-mail address mentioning their name, DP ID and Client ID/ folio number, PAN, and mobile number at investors@nacl.murugappa.com between Wednesday, July 15, 2026 (9:00 a.m. IST) and, Sunday July 19, 2026 (5:00 p.m. IST). Only those Members who have pre-registered themselves as a speaker on the dedicated e-mail address investors@nacl.murugappa.com will be allowed to express their views/ask questions during the AGM.
7. When a pre-registered speaker is invited to speak at the meeting but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
8. Other Instructions:
 - i. The Members may update their mobile number and e-mail id in the user profile details of the folio which can be used for sending future communication(s).

- ii. The remote e-Voting period commences on Sunday, July 19, 2026 at 09:00 A.M IST. and ends on Tuesday July 21, 2026 at 05:00 P.M IST. During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, July 17, 2026, may cast their vote electronically in the manner as set out herein above. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iii. Those who become Members of the Company after dispatch of the Notice of AGM but on or before Friday, July 17, 2026 (cut- off date) may write to NSDL at evoting@nsdl.com or to the Company at investors@nacl.murugappa.com requesting for user ID and password. On receipt of user ID and password, the steps from SL. Nos. (i) to (vii) mentioned in (A) above should be followed for casting of vote.
- iv. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, July 17, 2026.
- v. The Board of Directors has appointed Mr. R. Sridharan Company Secretaries (FCS: 4775, CP No. 3239), as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- vi. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.
- vii. The Results shall be declared either by the Executive Chairman or by a person authorized in writing by the Executive Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- viii. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website www.naclind.com and on the website of NSDL www.evoting.nsd.com, and communicated to stock exchanges viz., BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.
- ix. A person who is not a member as on the cutoff date should treat this Notice for information purpose only.

ANNEXURE I TO NOTICE

Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Item No. 4

Pursuant to the recommendation of the Audit Committee, the Board of Directors of the Company at their Meeting held on May 04, 2026 approved the appointment of M/s. Narasimha Murthy & Co., Cost Accountants (Firm Reg. No.000042), as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2026-27 on the remuneration payable to them as per details furnished in item no. 4 of the Notice of the Annual General Meeting. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company. Accordingly, consent of the Shareholders is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2026-27. The Board recommends this ordinary resolution, as set forth in Item no.4 of this Notice, for approval by the Members.

Memorandum of Interest

None of the other Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the aforesaid Ordinary Resolution.

Item No. 5

Pursuant to the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Policy of the Company, and taking into consideration the performance of the Managing Director & CEO and the contribution made by him, the Board of Directors at its meeting held on May 4, 2026 considered and approved revision in the remuneration of Dr. Raghuram Devarakonda, Managing Director & Chief Executive Officer, as recommended by the Nomination and Remuneration Committee. The Board has, accordingly, revised the remuneration of Dr. Raghuram

Devarakonda Managing Director & Chief Executive Officer of the Company with effect from April 01, 2026, for the remainder of his tenure on the terms and condition enumerated in the resolution. Except for the aforesaid revision in remuneration, all other terms and conditions of the appointment of Dr. Raghuram Devarakonda as Managing Director & Chief Executive Officer of the Company, as approved earlier by the shareholders vide Postal Ballot on 17th September 2025, shall remain unchanged and continue to be in full force and effect.

In case of no profits or if the Company’s profits are inadequate, the Company may pay the said remuneration as approved by the members to Dr. Raghuram Devarakonda as the minimum remuneration, subject to receipt of the requisite approvals, if any. Accordingly, pursuant to the provisions of Section 197, 198 and Schedule V of the Companies act, 2013, read with Regulation 17 of the SEBI Listing Regulations, approval of the shareholders is being sought by way of special resolution for the proposed revision in remuneration. The additional details as required in Schedule V of the Companies Act, 2013 is enclosed as **Annexure – II**

Except for Dr. Raghuram Devarakonda, none of the other Directors, Key Managerial Personnel (of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

By order of the Board
-SD-

Satish Kumar Subudhi

Place: Hyderabad

Date: May 04, 2026

Company Secretary
(FCS: 9085)

Registered Office: Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad, Hyderabad, Telangana – 500003

Corporate Office: 17th Floor, Pranava One Hyderabad, Commercial Block, Plot No.6-3-654/1 to 9 and 6-3-654/A, Somajiguda, Hyderabad, Telangana - 500082, India

CIN: L24219TG1986PLC016607

e-mail: investors@nacl.murugappa.com

Website: www.naclind.com.

**Details of Directors seeking appointment/re-appointment at the AGM
(Pursuant to 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meeting)**

Name of the Director	Mr. Sankarasubramanian S	Dr. Raghuram Devarakonda
Directors Identification Number (DIN)	01592772	09749805
Age	56 years	57 years
Date of Appointment/re-appointment	August 08, 2025	August 08, 2025
Qualifications	Mr. Sankarasubramanian S is a Graduate in Mathematics from University of Madras and is a member of The Institute of Cost and Management Accountants of India. He has done his Advanced Management Program (AMP) at Harvard Business School in the year 2009.	Dr. Raghuram Devarakonda holds a Ph.D. in Mechanical Engineering from the University of California, Berkeley. He also completed a post-doctoral research fellowship at the University of Vienna and obtained his B.Tech. degree from the Indian Institute of Technology (IIT), Mumbai.
Brief Profile including expertise in specified functional areas.	Mr. Sankarasubramanian brings over three decades of diverse experience spanning finance, strategy, and general management. He began his career with E.I.D. Parry (India) Limited in 1993 in corporate finance, where he progressed through various roles before joining Coromandel International Limited in 2003. At Coromandel, he has held several key leadership positions, including overseeing business finance and treasury functions, and later serving as Chief Financial Officer from 2011. In 2017, he transitioned to a business leadership role to head the Fertiliser business. He was appointed Executive Director to lead the Nutrient business in 2023, where he played a pivotal role in driving strategic initiatives to strengthen the nutrient business segment. He was appointed as Managing Director & CEO of the Company in August 2024. Mr. Sankarasubramanian brings deep expertise in business strategy, general management, mergers and acquisitions, and policy engagement especially in the fertiliser sector and has been actively steering the strategic growth initiatives of the company across business verticals and geographies. He is currently serving as Director to NACL and Chairman of the Fertiliser Association of India and also represents the company in the boards of Tunisian Indian Fertiliser S.A. (Tunisia), Foskor (Pty) Ltd. (South Africa), and certain subsidiaries of the Company.	Dr. Raghuram Devarakonda is the Managing Director and Chief Executive Officer of the Company. Dr. Devarakonda has over 30 years of experience across Indian industry and business consulting. He began his professional career as a management consultant with Accenture, Mumbai. He subsequently worked with the Murugappa Group as Head – Corporate Strategy and Planning and also served as Business Head of TI Cycles for nearly six years. During his second stint with Accenture, he held the position of Managing Director (Partner) – Advanced Customer Strategy. He also served as Chief Operating Officer at Ramco Cements. Prior to being deputed to the Company, Dr. Devarakonda worked as the Executive Director in Coromandel International Limited and headed its Crop Protection, Retail and Bio Products businesses. Dr. Devarakonda holds a B.Tech. degree from Indian Institute of Technology Mumbai, a Ph.D. in Mechanical Engineering from University of California, Berkeley.

ANNEXURE II

Name of the Director	Mr. Sankarasubramanian S	Dr. Raghuram Devarakonda
Nature of Expertise in functional area	Agrochemical industry	Agrochemical industry
Terms and conditions of appointment / re-appointment	Appointed as Non-Executive Director, liable to retire by rotation.	Appointment as a Director and Managing Director & Chief Executive Officer for a period of 3 years, commencing from August 08, 2025, to August 6, 2028.
Details of remuneration last drawn	NIL	₹2,19,00,000
No. of Board Meetings attended during the year.	5	5
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None	None
Shareholding in the Company as on March 31, 2026	Nil	Nil
List of other Companies in which Directorship held as on March 31, 2026 (excluding Foreign, Private and Section 8 Companies).	1. Dare Ventures Limited 2. Coromandel International Limited 3. Coromandel Technology Limited 4. Coromandel Chemicals Limited	1. Coromandel Chemicals Limited 2. Coromandel Insurance and Multi Services Limited
List of Entities from which the person has resigned in the past three years.	Nil	1. Coromandel Technology Limited 2. Coromandel International Limited
Chairperson/Member of the Mandatory Committees of the Board of the other Companies on which he is a director as on March 31, 2026.	M/s. Coromandel International Limited: a) Audit Committee – Member b) Corporate Social Responsibility and Sustainability Committee – Member c) Risk Management Committee - Member	Nil

Details as required under Schedule V Part II Section II of Companies Act, 2013

I. General information:

1. Nature of industry:

NACL operates in the Agri-inputs industry, having established itself as a prominent agrochemical company since its inception in 1993. Initially focused on manufacturing Active Ingredients, the Company has expanded into a diversified business covering Domestic Retail, B2B, and Export segments, catering to several global MNCs through long-standing partnerships. Over the years, NACL has emerged as a strong player in the formulations segment, offering a wide portfolio of more than 50 products across all major crop categories. Its formulations span key segments such as Insecticides, Herbicides, Fungicides, and Plant Growth Regulators, positioning the Company as a comprehensive solutions provider in the agriculture sector.

2. Date or expected date of commencement of commercial production:

The Company has already commenced its commercial production. Company received certificate of commencement of business on November 11, 1986.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial performance based on given indicators

Particulars	Amount (₹ in lakhs)		
	FY 2023-24	FY 2024-25	FY 2025-26
Net Sales/Income from Operations	1,78,084	1,25,189	1,50,721
Profit from operations before other income Finance costs and exceptional items	-1193	-8616	6924
Other Income	990	988	809
Finance Cost	6,010	4948	3725
Exceptional items	-	2,926	(1028)
Profit/(loss) before tax	(6,213)	(9650)	2980

5. Foreign investments or collaborations, if any.

Not Applicable

II. Information about the appointee:

S. No.	Name of Director/ Particulars Background details	Dr. Raghuram Devarakonda
	Brief Resume of Director and nature of his expertise in specific functional areas for the following appointees	Dr. Raghuram Devarakonda is the Managing Director and Chief Executive Officer of the Company. Dr. Devarakonda has over 30 years of experience across Indian industry and business consulting. He began his professional career as a management consultant with Accenture, Mumbai. He subsequently worked with the Murugappa Group as Head – Corporate Strategy and Planning and also served as Business Head of TI Cycles for nearly six years. During his second stint with Accenture, he held the position of Managing Director (Partner) – Advanced Customer Strategy. He also served as Chief Operating Officer at Ramco Cements. Prior to being deputed to the Company, Dr. Devarakonda worked as the Executive Director in Coromandel International Limited and headed its Crop Protection, Retail and Bio Products businesses.
	Past Remuneration	FY 2025-26 – 2,19,00,000
	Recognition or Awards	Nil
	Job profile and suitability	-
	Remuneration proposed	As provided in the resolution

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Considering the size and scale of the Company's operations, the complexity of its business, and the enhanced responsibilities undertaken by the aforesaid appointees, the proposed remuneration is deemed fair, reasonable, and commensurate with industry standards for similar positions in comparable companies. The structure has been benchmarked against prevailing norms and aligns with the appointee's professional experience, profile, and contributions to the Company.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if :

Apart from the remuneration specified above none of the members is having pecuniary relationship with the Company." Except for the remuneration and benefits payable to Dr. Raghuram Devarakonda in his capacity as Managing Director & Chief Executive Officer, he has no other pecuniary relationship with the Company.

III. Other Information**1. Reason for loss or inadequate profits:**

FY 2025-26 was characterized by a challenging operating environment for the agrochemical industry, influenced by geopolitical uncertainties, pricing pressures, fluctuating raw material costs, and changing regulatory requirements. Demand in the sector continued to be impacted by agricultural cycles, monsoon patterns, crop conditions, and farmer sentiment. While these factors exerted pressure on the Company's performance during the year, the Company undertook several initiatives aimed at improving operational efficiencies, optimizing costs, and strengthening its business fundamentals. Supported by these measures and a gradual improvement in market conditions, the Company remains focused on restoring sustainable growth and enhancing stakeholder value.

2. Steps taken or proposed to be taken for improvement

The Company has initiated a series of strategic and operational initiatives aimed at strengthening its financial and operational position. Leveraging its inherent strengths—namely, its established reputation as a premium manufacturer, its portfolio of well-recognized brands, and its extensive pan-India distribution network—the Company is well-positioned to navigate market adversities and capitalize on growth opportunities.

In this direction, following the acquisition of a majority stake of 53% by Coromandel International Limited (CIL), the Company has become a subsidiary of CIL. This acquisition is expected to generate significant synergistic benefits in terms of a strengthened and complementary product portfolio, enhanced presence in both domestic and international markets, and improved operational efficiencies. It also provides opportunities for leveraging R&D capabilities, supply chain, and resource optimization, thereby reinforcing the Company's competitiveness.

In furtherance of these objectives, the Company has also undertaken targeted measures to enhance productivity, rationalize costs, and optimize overall efficiency. Collectively, these initiatives are expected to contribute positively towards improving the Company's profitability and overall financial performance in the ensuing periods.

3. Expected increase in productivity and profits in measurable terms

The Company has undertaken a series of focused initiatives aimed at sustaining its market leadership, enhancing market penetration, and improving overall financial performance. These measures include inter-alia streamlining operations, optimizing resource allocation, strengthening the distribution network, and adopting innovative marketing strategies. The Company has also been proactively implementing cost control mechanisms and productivity enhancement programs. As a result of these concerted efforts, the Company anticipates a measurable improvement in operational efficiency and a corresponding increase in profitability over the forthcoming financial periods, subject to normal market conditions and other external factors.

Board's REPORT

DEAR MEMBERS,

Your Directors have pleasure in presenting the 39th Annual Report of the Company together with the audited financial statements for the year ended March 31, 2026.

Operating Results

Your Company's performance during the year as compared with that during the previous year is summarized below:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2025-26	2024-25	2025-26	2024-25
Total Income (including Other Income)	1,58,727	1,24,256	1,51,530	1,26,177
Profit/(Loss) before share of profits from Associate, Finance Cost, Depreciation and Tax	10,563	(5,483)	9,866	(5,698)
Finance Cost	4,649	6,495	3,725	4,948
Depreciation and Amortization Expenses	3,196	2,905	2,133	1,930
Profit/(Loss) before share of profit from Associate, exceptional items and Tax	2,718	(14,883)	4,008	(12,576)
Exceptional income	(1,745)	2,926	(1,028)	2,926
Profit/(Loss) after exceptional items and before share of profit from Associate & Tax	973	(11,957)	2,980	(9,650)
Share of profit/(Loss) from Associate	(16)	33	-	-
Profit/(Loss) before tax	957	(11,924)	2,980	(9,650)
Current Tax	1	1	-	-
Deferred Tax	499	(2,712)	706	(2,342)
Profit/(Loss) for the year	457	(9,213)	2,274	(7,308)
Other Comprehensive Income	(10)	(319)	(16)	(319)
Total Comprehensive Income	447	(9,532)	2,258	(7,627)
Balance of profit brought forward from previous year	21,727	31,243	25,169	32,780
TOTAL	22,174	21,727	27,427	25,169
Appropriation				
Dividend on equity shares	-	-	-	-
Less: Effective portion of cash flows hedges	-	16	-	16
Balance profit carried forward to balance sheet	22,174	21,727	27,427	25,169

Performance Overview:

FY 2025-26 represents a milestone year for the Company, marking a successful turnaround. The acquisition of a majority stake by Coromandel International Limited has strengthened stakeholder confidence, as reflected in the infusion of fresh capital through rights issue and a reduction in lending rates. Improved confidence among customers and vendors has further supported the scaling up of operations. As a result, the Company recorded a consolidated revenue growth of 28%, reaching ₹1,58,446 lakhs as against ₹1,23,452 lakhs in FY 2024-25. The Company reported a profit before exceptional items and taxes of ₹2,718 lakhs, as compared to a loss of ₹14,883 lakhs in the previous financial year, and achieved a net profit after tax of ₹457 lakhs during the year.

Transfer to Reserves:

The Board of Directors has not proposed to transfer any amount to the General Reserve.

Dividend & Dividend Distribution Policy:

The Directors have not recommended any dividend for the year under review. As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has adopted a Dividend Distribution Policy and the same is available on the website of the Company at <https://naclind.com/wpcontent/uploads/2025/02/Dividend-Distribution-Policy.pdf>.

Domestic Markets:

Domestic Retail Channel

The Company's domestic retail business continues to play a critical role in supporting Indian agriculture by delivering sustainable and cost-effective crop protection solutions.

During the year under review, the domestic retail segment recorded 5% growth, in line with the industry growth. This performance was driven by focused marketing initiatives, new product introductions, strengthened channel engagement, and ongoing enhancement of the sales and marketing organization. Domestic retail sales stood at ₹67,742 lakh as against ₹64,266 lakh in the previous year.

In FY 2025-26, the Company maintained its farmer-centric approach through structured field engagement programs aimed at improving farm productivity and outcomes. Parallely, continued focus was placed on strengthening long-term relationships with channel partners through targeted dealer engagement initiatives.

The monsoon during June – September 2025 was favourable, with rainfall at 106% of the Long Period Average (LPA), in line with forecasts (106% ± 4%), supporting overall agricultural activity.

Insecticides:

The domestic insecticides segment recorded revenue of ₹38,801 Lakh, compared to ₹38,189 Lakh in the previous year, reflecting 2 % growth.

Performance was supported by the introduction of new products targeting key pest challenges across crops. Key launches included:

- Faita for stem borer and leaf folder in paddy
- Calyx for lepidopteran pests in cotton and soybean
- Jhalak for thrips in cotton
- Profex Ultra for maize
- Tripleact for BPH management in paddy

These launches highlight the Company's continued focus on innovation and its commitment to delivering targeted and efficient crop protection solutions.

Herbicides:

The herbicides segment recorded revenue of ₹ 12,724 lakh versus ₹11,890 lakh in the previous year, registering 7% growth.

Growth was supported by increasing demand for efficient weed management solutions amid labour shortages and rising cost pressures in agriculture.

The Company strengthened its portfolio with the introduction of Carnage, Weedsweep, and Weedmaster, addressing weed control needs across crops such as sugarcane, soybean, onion, tea, and cotton.

These initiatives reinforce the Company's focus on expanding its herbicide portfolio and delivering reliable, cost-effective solutions aligned with evolving market needs.

Fungicides:

The fungicides segment delivered strong growth of 11% with revenue of ₹ 13,144 lakh compared to ₹11,817 lakh in the previous year.

Performance was driven by the strength of the existing portfolio and focused marketing efforts, despite prevailing market pressures.

The Company further augmented its portfolio with the launch of Kadak, targeting diseases such as downy mildew, powdery mildew, leaf spot, and early and late blight in vegetables.

Plant Growth Regulators/ Bio stimulants:

The PGR and biostimulants segment recorded robust growth of 30%, with revenue increasing to ₹3,073 lakh from ₹2,370 lakh in the previous year.

Growth was driven by the superior efficacy of products and increasing farmer adoption of bio stimulants aimed at enhancing crop productivity and quality.

The segment's performance also reflects the Company's continued emphasis on promoting sustainable agricultural practices, contributing to accelerated growth in this category.

Domestic Institutional Business

During the year under review, the Domestic Institutional Sales business demonstrated resilient performance by reinforcing its relationships with institutional customers through consistent customer engagement, reliable product availability, timely deliveries, and competitive pricing. These initiatives enabled the Company to regain volumes and strengthen its market position across key technical products.

The business further consolidated its presence by supplying a comprehensive portfolio of insecticides, herbicides, and fungicides to a diverse institutional customer base. Strategic partnerships with leading organizations for key products, coupled with focused cross-selling initiatives across existing customers, contributed to improved business performance and enhanced customer penetration.

Looking ahead, the Company remains focused on strengthening its institutional business through deeper customer engagement, improved operational efficiencies, and expanded market coverage. The planned introduction of new P2P products in FY 2026-27, together with an increased emphasis on high-value formulation products, is expected to broaden the institutional product portfolio, enhance customer offerings, and support sustainable revenue growth and margin improvement.

The Company has achieved domestic institutional sales of ₹54,206 Lakh for the year under review against ₹26,121 Lakh in the previous year

International Market:

In 2025, the global crop protection industry recorded a second consecutive year of decline, impacted by adverse weather conditions across Asia, Latin America, and Europe's key cereal-growing regions, along with continued softening of agrochemical and commodity prices. The global market

declined by approximately 7% to USD 77 billion, with broad-based contraction across regions—around 7% in South America, the Middle East & Africa, and Asia-Pacific, compared to 5.5% in North America and 5% in Europe. India's agrochemical exports also declined by 3% to USD 4.2 billion.

Against this challenging backdrop, M/s. NACL Industries Limited delivered a strong performance in its international business through focused execution of its growth strategy centered on Key Accounts and Focus Markets. Demand recovery in South America, supported by channel destocking, resulted in the normalization of volumes for key products such as Propiconazole and Tricyclazole after two years of subdued demand.

The Company continued to strengthen its presence in Focus Markets through enhanced technical engagement in Vietnam and sustained formulation-led growth across Africa. During the year, NACL expanded its international footprint to 39 countries, further diversifying its market presence and customer base.

As a result, the international business recorded export revenues of ₹35,355 lakhs during FY 2025-26 as compared to ₹30,956 lakhs in the previous year, registering a robust growth of 14% year-on-year growth.

Going forward, the Company remains focused on strengthening relationships with Key Accounts through the introduction of new active ingredients and intermediates, while accelerating growth in Focus Markets through increased registrations of generic and differentiated formulations. These initiatives are expected to support sustainable growth and further enhance the Company's global presence in the years ahead.

Plant Operations:

The Srikakulam Technical Plant achieved an annual production of 11,611 MT and Dahej plant annual production of 3,031 MT during the year under review. The increase in output was primarily driven by higher demand for various Active Ingredients (AIs), improved utilisation of the plant (including production of intermediates), and sustained productivity enhancements undertaken in recent years. The plant continued to implement initiatives in energy conservation, effluent reduction, and cost optimisation, with the Zero Liquid Discharge (ZLD) facility operating efficiently throughout the year.

The Ethakota Formulation Unit recorded a production of 23,220 MT/KL for the year. The unit has been undertaking various initiatives focused on productivity enhancement, safety, and quality improvements. Both units have fostered a positive working environment, contributing to improved productivity and stronger employee engagement at all levels.

Credit Rating:

During the year under review, CRISIL Ratings Limited (CRISIL), vide its letters dated August 21, 2025 and November 07, 2025, reviewed and assigned ratings to the Company's bank facilities.

For the long-term bank facilities, the rating was revised to 'CRISIL BB+/Watch Positive' as on August 21, 2025, and

subsequently upgraded to 'CRISIL AA/Stable' as on November 07, 2025.

For the short-term bank facilities, the rating was revised to 'CRISIL A4+/Watch Positive' as on August 21, 2025 and thereafter upgraded to 'CRISIL A1+' as on November 07, 2025.

New Products Launched:

The Company has successfully commercialized manufacturing the following new Formulations namely:

S. No.	Product Name	Composition
1	Profex Ultra	Emamectin Benzoate 1.5% + Profenophos 35% WDG
2	Faita	Cyclaniliprole 10% DC
3	Jhalak	Spinosad 45% SC
4	Calyx	Chlorantraniliprole 9.3% + Lambda-Cyhalothrin 4.6% ZC
5	Tripleact	Dinotefuran 4.8% + Pymetrozine 14.8% + Fipronil 7.5% SC
6	Kadak	Azoxystrobin 4.8% w/w + Chlorothalonil 40.0% SC
7	Carnage	Ametryn 80% WG
8	Weed Sweep	Haloxypop-R-Methyl Ester 10.5% EC
9	Weed Master	Glufosinate Ammonium 13.5% SL

Research & Development:

The Company's state-of-the-art R&D Centre at Shadnagar, near Hyderabad, continues to serve as a hub of innovation, driving product development and process improvements in alignment with the Government of India's Make in India initiative. The Centre is actively engaged in developing processes for a range of active ingredients, intermediates, and formulations, all at various stages of progress.

During the year under review, processes for four technical products were successfully developed. Of these, two have been commercialized, while the remaining two have progressed to the pilot stage. Additionally, a strong pipeline of niche generic molecules is under development for future commercialization. R&D initiatives have also delivered cost efficiencies in six regularly manufactured technical products.

In the intermediates segment, commercial-scale batches of selected intermediates were successfully executed for a multinational company, with several additional projects currently underway.

Process innovation efforts have led to the discovery of new methodologies, resulting in the filing of two provisional patents and the grant of one patent.

The Company's R&D facility in Hyderabad has achieved several significant milestones, including:

- ISO 17025:2017 accreditation from the National Accreditation Board for Testing and Calibration Laboratories (NABL);

- Integrated Management System (IMS) certification (ISO 9001, ISO 14001, and ISO 45001) from SGS;
- Recognition by the Department of Scientific and Industrial Research (DSIR), Government of India.

A key focus area has been the development and registration of novel formulations, with three standalone formulations successfully commercialized. Continuous improvement initiatives are also underway to optimize formulation manufacturing costs.

The Good Laboratory Practice (GLP) certification, initially awarded in 2021, has enabled the R&D Centre to conduct studies supporting global registrations, particularly in Africa and Southeast Asia. The GLP division has also expanded its services to external clients, contributing to revenue generation while playing a critical role in supporting both domestic and international registrations through comprehensive testing and documentation.

During the current year, the Company secured over 25 registrations across various categories in India, including three technical indigenous manufacturing registrations for Haloxyfop-R-methyl, Trifloxystrobin, and Picoxystrobin. Additionally, 10 registrations were obtained in international markets, taking the overall portfolio to 588 registrations domestically and 147 overseas.

In parallel, the Company was granted three new patents (including two unique combinations and one process patent) and filed approximately 21 new patent applications, further strengthening NACL's innovation pipeline and enhancing its intellectual property portfolio.

Environment Protection:

The Company remains committed to sustainable environmental practices and continues to strengthen its environmental stewardship across all manufacturing locations. Both the Srikakulam and Ethakota facilities are equipped with state-of-the-art Zero Liquid Discharge (ZLD) systems, ensuring complete treatment, recovery, and reuse of wastewater, thereby minimizing environmental impact and ensuring strict adherence to regulatory requirements.

In FY 2025–26, the Company enhanced its water sustainability initiatives by commissioning a modern ETP-cum-STP system at its R&D Centre, based on Membrane Bioreactor (MBR) technology. This advanced system significantly improves effluent treatment efficiency and enables reuse of treated water for utilities and horticulture, thereby reducing freshwater consumption and promoting circular water management.

The Srikakulam unit is integrated with continuous online monitoring systems for effluent and emissions, with real-time data transmission to the Andhra Pradesh Pollution Control Board, ensuring transparency, accountability, and regulatory compliance. Additionally, the Company has strengthened its greenbelt development initiatives, contributing to enhanced

biodiversity and improved ecological balance across its facilities.

The Company also undertook several environment improvement initiatives during the year, focusing on energy optimization, water conservation, waste reduction, and emission control. In recognition of these sustained efforts, the Company received the Golden Award for Environmental Excellence from the Indian Chemical Council, along with commendation from the Chairman of the Andhra Pradesh Pollution Control Board.

Quality, Certifications and Responsible Care (RC):

The Company continues to maintain robust management systems certified to ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, covering Quality, Environment, and Occupational Health & Safety across its operations. During the year, the Dahej facility was integrated into the Company's Integrated Management System (IMS), further strengthening standardization and operational consistency across all locations.

The manufacturing facilities at Srikakulam and Ethakota, along with the R&D Centre at Nandigama, are supported by laboratories accredited by the National Accreditation Board for Testing and Calibration Laboratories, ensuring high standards of testing, quality assurance, and analytical capabilities.

The Company has successfully implemented the Responsible Care (RC) – 7 Codes of Management Practices and has been recertified with the RC Logo by the Indian Chemical Council for a further period of three years. This recertification underscores the Company's continued commitment to responsible chemical management, safety, health, and environmental stewardship.

Energy Efficiency and Emission Reduction:

During FY 2025–26, the Company continued to prioritize energy efficiency and emission reduction through ongoing process optimization and deployment of advanced technologies. Key initiatives undertaken during the year included optimization of ATFD operations, rationalization of steam and power consumption, reduction in motor capacities, adoption of energy-efficient equipment, and replacement of conventional steam ejectors with dry vacuum systems.

These measures have resulted in enhanced operational efficiency and a reduction in overall energy intensity and carbon emissions across manufacturing locations. Continuous monitoring and improvement initiatives further reinforce the Company's commitment to sustainable energy management.

Water Conservation and Reuse:

The Company remains committed to responsible water stewardship, with water conservation forming a core component of its sustainability strategy. Rainwater harvesting systems and water reuse practices have been implemented across all operational sites to ensure efficient utilization of water resources.

During FY 2025–26, the Company utilized 13,924 KL of rainwater and surface water, thereby reducing reliance on groundwater and promoting sustainable sourcing. In addition, several process-level interventions were undertaken, including reuse of condensate streams, recycling of ERO reject water, and optimization of effluent treatment systems.

These initiatives have enhanced overall water efficiency, reduced freshwater consumption, and reinforced the Company's focus on circular water management and resource conservation.

Safety, Health and Sustainability Initiatives:

Safety continues to be a core value at NACL Industries Limited, supported by a robust framework of systems, training, and employee engagement. During the year, the Company strengthened its safety culture through the implementation of Process Safety Management (PSM) aligned with OSHA's 14 elements and Responsible Care requirements, along with the rollout of a Behaviour-Based Safety (BBS) program to promote proactive safety practices.

Regular awareness initiatives, including National Safety Week, World Environment Day, Fire Service Day, and Electrical Safety Week, were conducted across all locations. Employee engagement programs such as Suraksha Sammelan, Suraksha Yojana, and the Safety Monthly Star Program continued to recognize best practices and encourage active participation in safety initiatives.

The Company maintains fully equipped Occupational Health Centres (OHCs) at all manufacturing locations, providing round-the-clock medical support, periodic health check-ups, and wellness programs to ensure employee well-being.

The Company complied with all applicable statutory requirements during the year. Necessary approvals for expansion projects are under process with the Central Pollution Control Board and respective State Pollution Control Boards.

Share Capital:

During the financial year under review, the paid-up equity share capital of the Company increased from ₹20,12,03,147 (comprising 20,12,03,147 equity shares of ₹1 each) to ₹23,41,78,330 (comprising 23,41,78,330 equity shares of ₹1 each), on account of allotment of equity shares under the Employee Stock Option Scheme and the Rights Issue as detailed below. During the year under review, the Company has not issued any shares with differential voting rights nor issued any sweat equity shares.

Rights Issue:

During the financial year under review, the Company undertook a Rights Issue of equity shares and successfully mobilized approximately ₹ 249.29 Crores from its existing eligible shareholders. The Company offered 3,25,01,851 equity shares of face value ₹1 each at a premium of ₹75.70 per share, in the ratio of 5 Rights Equity Shares for every 31 fully paid-up equity shares held by eligible shareholders. The

Offer period for Rights Issue commenced on December 22, 2025 and concluded on December 30, 2025. Subsequently, at its meeting held on December 31, 2025, the Securities Issue Committee, constituted by the Board for this purpose, approved the allotment of 3,25,01,851 Rights Equity Shares and the paid-up equity share capital of the Company increased from 20,15,11,479 equity shares to 23,40,13,330 equity shares.

Employee Stock Option Scheme:

The Company currently has the NACL Employee Stock Option Scheme – 2020 (ESOS-2020) in force, which is in compliance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

ESOS 2020 Scheme:

During the year under review, the Company allotted 4,73,332 fully paid-up equity shares to eligible employees pursuant to the exercise of vested stock options under the ESOS-2020 Scheme, wherein each option entitles the holder to subscribe to one equity share of the Company.

Pursuant to the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a certificate issued by Sridharan & Sridharan Associates, Company Secretaries, Secretarial Auditor confirming that the Scheme has been implemented in accordance with the applicable Regulations and the resolutions passed by the Members shall be placed before the Members at the ensuing Annual General Meeting.

The disclosures as required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI Regulations are available on the Company's website at www.naclind.com.

Material Changes and Commitments:

Except as specifically disclosed elsewhere in this Report, there have been no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

Subsidiary and Associate Companies and Consolidation of Financial Statements:

Subsidiary Companies:

A) NACL Spec-Chem Limited ("NSCL"), India:

After successfully commissioning and commercializing the first phase of its project with a capacity of 6,000 MTPA during the previous year, NSCL continued its efforts to maximize capacity utilization. The plant has been operating effectively and producing its intended products and capacity; however, the benefits of full-scale operations are yet to be realized. The total revenue from operations of the Company for the year ended March 31, 2026, stood at ₹15,373 Lakhs as against ₹9,644 Lakhs in the previous year. The Company reported a loss after tax of ₹(1,617) Lakhs, compared to a loss of ₹(1,844) Lakhs in the previous year.

B) NACL Multichem Private Limited ('NMPL'), India:

For the year ended March 31, 2026, the Company recorded total revenue from operations of ₹23 Lakhs as against ₹9 Lakhs in the previous year and reported a loss after tax of ₹86 Lakhs as compared to a loss of ₹57 Lakhs in the previous year.

C) NACL Agri-Solutions Private Limited ('NASPL'), India:

For the year ended March 31, 2026, the Company reported total revenue from operations of ₹116 Lakhs, as against ₹72 Lakhs in the previous year, and a loss after tax of ₹7 Lakhs, compared to a profit of ₹5 Lakhs in the previous year.

D) LR Research Laboratories Private Limited ('LRRPL'), India:

The total revenue of the LRRPL for the year ended March 31, 2026 continues to be Nil.

E) Nagarjuna Agrichem (Australia) Pty Limited ('NAAPL'), Australia:

NAAPL was established to hold local registrations on behalf of the Company to facilitate product sales in Australia. For the year ended March 31, 2026, the Company reported total revenue of ₹14 Lakhs as against ₹12 Lakhs in the previous year.

F) NACL Industries (Nigeria) Limited ('NINL'), Nigeria:

NINL, incorporated on January 13, 2023, is a wholly-owned subsidiary of the Company. The entity was set up primarily to obtain and hold local registrations in Nigeria, enabling the Company to market and distribute its products in the region. These registrations are issued by the respective government authorities only to entities incorporated within the country.

Pursuant to the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Companies Act, 2013 ("the Act"), and the applicable Indian Accounting Standards, including Ind AS 110 – Consolidated Financial Statements, the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 form an integral part of this Annual Report.

The Consolidated Financial Statements have been prepared in accordance with the applicable accounting standards by consolidating, on a line-by-line basis, the financial statements of the Company's wholly-owned subsidiaries, namely NACL Spec-Chem Limited, NACL Multichem Private Limited, LR Research Laboratories Private Limited, NACL Industries (Nigeria) Limited, Nagarjuna Agrichem (Australia) Pty Ltd, and NACL Agri-Solutions Private Limited. The Company's investment in Nasense Labs Private Limited, an Associate Company, has been accounted for using the equity method in accordance with Ind AS 28 – Investments in Associates and Joint Ventures.

In accordance with the provisions of the Act, a statement containing the salient features of the financial performance of the Subsidiaries and Associate Company in Form AOC-1 is annexed to this Report as **Annexure-I**.

During the year under review, there were no changes in the Company's subsidiary or associate relationships, and no entity became or ceased to be a Subsidiary, Joint Venture, or Associate of the Company. Further The board has decided and approved closure of Foreign subsidiaries i.e. Nagarjuna Agrichem (Australia) Pty Limited ('NAAPL'), Australia and NACL Industries (Nigeria) Limited ('NINL'), Nigeria on May 04, 2026.

In accordance with Section 136(1) of the Act read with Regulation 46 of the Listing Regulations, the Annual Report of the Company, including its Standalone and Consolidated Financial Statements, together with the financial statements of its Subsidiaries, are available on the Company's website at www.naclind.com

Internal Financial Control Systems and their adequacy:

The Company has established and maintained adequate internal financial controls commensurate with the size, scale, and complexity of its operations. During the year under review, such controls were evaluated and tested, and no reportable material weaknesses in their design or operating effectiveness were identified.

The Company has instituted well-defined policies and procedures to ensure the orderly and efficient conduct of its business, including safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The accounting policies adopted by the Company are in accordance with the Indian Accounting Standards (Ind AS) prescribed under the Companies Act, 2013 and are consistent with generally accepted accounting principles in India. Any changes in accounting policies, if required, are undertaken in consultation with the Statutory Auditors and are subject to the review and approval of the Audit Committee.

The internal audit function of the Company is designed to evaluate and improve the effectiveness of risk management, internal control, and governance processes. It focuses on ensuring compliance with applicable laws and regulations, adherence to internal policies, safeguarding of assets, and identification of areas for operational improvement.

Based on the internal financial control framework established by the Company, the work performed by the Internal, Statutory, Cost, and Secretarial Auditors, including the audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews carried out by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2025–26.

Auditors:**a) Statutory Auditor and Audit Reports:**

M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), were appointed as the Statutory Auditors of the Company at the 38th Annual General Meeting held on September 19, 2025, for a term of four consecutive years, to hold office until the conclusion of the 42nd Annual General Meeting to be held in the year 2029. The Statutory Auditors have confirmed that they meet the eligibility criteria prescribed under the Companies Act, 2013 and are not disqualified from continuing as Statutory Auditors of the Company. They have further confirmed that their appointment is within the limits specified under Section 141(3)(g) of the Act and that they hold a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Report issued by the Statutory Auditors on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 forms part of this Integrated Annual Report. The said Report is unmodified and does not contain any qualification, reservation, adverse remark, or disclaimer. There was no instance of fraud during the year under review, which required the Auditors to Report under Section 143(12) of the Act and the rules made there under.

b) Internal Auditor:

The Board of Directors, at its meeting held on October 24, 2025, appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Hyderabad, as the Internal Auditors of the Company for a term of two years the financial year year 2025-26 and 2026–27.

The Internal Auditors have conducted the internal audit for the financial year 2025–26 in accordance with the approved internal audit plan. The scope of internal audit includes evaluation of the adequacy and effectiveness of internal controls, assessment of compliance with applicable laws and regulations, and review of key accounting processes and policies.

The internal audit function is designed to provide independent assurance on the effectiveness of the Company's risk management, governance, and control processes. Significant audit observations, together with management responses and action plans, are presented to the Audit Committee on a quarterly basis.

Based on internal audit findings, appropriate corrective actions are undertaken to strengthen the control environment and enhance operational efficiency. The Audit Committee periodically reviews the internal audit reports and monitors the implementation of agreed action plans.

c) Cost Auditor:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the applicable rules thereunder, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. K. Narasimha Murthy & Co., Cost Accountants, Hyderabad, as the Cost Auditors of the Company to conduct the audit of cost records relating to Insecticides (Technical Grade and Formulations) for the financial year ended March 31, 2026.

The Cost Auditors have confirmed that their appointment is in accordance with the provisions of the Act and the Rules made thereunder.

In terms of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for the financial year 2026–27, amounting to ₹8 Lakhs, is subject to ratification by the Members. Accordingly, a resolution seeking ratification of the said remuneration forms part of the Notice convening the 39th Annual General Meeting.

During the year, the Company filed the cost audit report for the financial year 2024-25 with the Ministry of Corporate Affairs.

d) Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of Listing Regulations, the Members of the Company, at the 38th Annual General Meeting held on September 19, 2025, approved the appointment of M/s. Sridharan & Sridharan Associates, Company Secretaries, as Secretarial Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the 38th Annual General Meeting up to the conclusion of the 43rd Annual General Meeting to be held in the year 2030.

The Secretarial Auditors have conducted the secretarial audit for the financial year ended March 31, 2026 in accordance with the applicable provisions of the Act and the rules made thereunder. The Secretarial Audit Report in Form MR-3 forms part of this Report as Annexure-II. The said Report is unmodified and contains any qualification, reservation, adverse remark, or and the same is detailed below:

1. The Secretarial Auditor has observed that the Company is in the process of completing the filing of Form IEPF-4 for the financial years 2016-17 and 2017-18 pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Necessary steps are being taken to complete the pending filings.

2. The Secretarial Auditor has also reported non-compliance with Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to the delayed filing of prior intimation of the Board Meeting held on October 24, 2025. The applicable fines levied by the Stock Exchanges have been duly paid and appropriate measures have been instituted to strengthen compliance monitoring.
3. Further, a delay in submission of the disclosure of Related Party Transactions under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with BSE Limited was noted. The requisite disclosure has since been filed, the penalty imposed by BSE Limited has been remitted, and additional controls have been implemented to ensure timely regulatory filings going forward.

Further, in compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the Annual Secretarial Compliance Report from Sridharan & Sridharan Associates and has duly submitted the same to Stock Exchanges where the equity shares of the Company are listed.

Board, Committees of the Board and Other information:

a) Directors:

The Board of Directors of the Company presently comprises seven (7) Directors, consisting of one (1) Executive Director, two (2) Non-Executive Non-Independent Directors, and four (4) Non-Executive Independent Directors, including one (1) Woman Independent Director, in compliance with applicable requirement. The details of the Directors are given below:

- 1) Mr. Arun Alagappan – Non-Executive Chairman
- 2) Dr. Raghuram Devarakonda – Managing Director & CEO
- 3) Mr. Sankarasubramanian S – Non-Executive Director
- 4) Mr. Suresh Subramanian – Non-Executive Independent Director
- 5) Mr. B. Raghavendra Rao – Non-Executive Independent Director
- 6) Dr. Lakshmi Kantam Mannepalli – Non-Executive Independent Director
- 7) Mr. Sanjiv Lal – Non-Executive Independent Director

During the year under review, pursuant to the acquisition of the Company and the consequent change in management, the erstwhile Board comprising ten (10) Directors ceased to hold office with effect from August 8, 2025. The details of such Directors are set out below:

- 1) Ms. K. Lakshmi Raju – Non-Executive Chairperson
- 2) Mr. G. V. Bhadram – Whole-time Director

- 3) Mr. Sudhakar Kudva – Non-Executive Independent Director
- 4) Mr. N. Sambasiva Rao – Non-Executive Independent Director
- 5) Mr. Ramkrishna Mudholkar – Non-Executive Independent Director
- 6) Mr. Santanu Mukherjee – Non-Executive Independent Director
- 7) Ms. Veni Mocherla – Non-Executive Independent Director
- 8) Mr. Raj Kaul – Non-Executive Non-Independent Director
- 9) Mr. Atul Churiwal – Nominee Director
- 10) Mr. Rajesh Kumar Agarwal – Nominee Director

Further, Mr. Natarajan Srinivasan, who was appointed as Chairman of the Company with effect from August 8, 2025, ceased to be a Director of the Company with effect from October 14, 2025. Subsequently, Mr. Arun Alagappan was appointed as Chairman of the Company with effect from October 24, 2025.

Director(s) to retire by rotation:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, Mr. Sankarasubramanian S (DIN: 01592772), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, has offered himself for re-appointment.

The resolution seeking his re-appointment forms part of the Notice convening the AGM. Relevant details, including his profile and experience, are provided in the said Notice.

b) Board Meeting:

The Board met eight (8) times during the financial year 2025-26.

Detailed information on the Board meetings, including attendance of Directors, is set out in the Corporate Governance Report forming part of this Annual Report. The Company has complied with the provisions of the Companies Act, 2013 and the Listing Regulations relating to the frequency of Board meetings and the maximum interval between two meetings.

c) Independent Directors and their declaration of Independence:

In terms of the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory amendment(s), modification(s)

or re-enactment thereof for the time being in force), the Independent Directors of the Company can hold office for a term of up to five consecutive years and are not liable to retire by rotation.

The Company has the following Independent Directors on its Board: Mr. Suresh Subramanian, Mr. B. Raghavendra Rao, Dr. Lakshmi Kantam Mannepalli and Mr. Sanjiv Lal. All the Independent Directors have furnished necessary declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations and are independent of the Management. Further, in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board has taken on record the declarations and confirmations submitted by the Independent Directors after undertaking due assessment of the veracity of the same and is of the opinion that all the Independent Directors uphold the highest standards of integrity and possess the requisite expertise, experience and proficiency (in terms of Section 150(1) of the Act and applicable rules thereunder) required to effectively discharge their duties. In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Companies Act, 2013, possess requisite integrity, expertise and experience and are independent of the management.

Further, in compliance with the provisions of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have confirmed that their names are included in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA).

d) Familiarization Programme for the Independent Directors:

The Independent Directors of the Company are eminent professionals with extensive experience across diverse fields such as banking, financial services, technology, finance, governance and management. They are well-versed with, and bring significant insight into, the business and operations of the Company.

In compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has instituted a structured familiarization programme for its Independent Directors. The programme is designed to provide insights into their roles, rights and responsibilities, the business model of the Company, the nature of the industry in which the Company operates, and key operational and strategic aspects.

Through this programme, Independent Directors are apprised of the Company's business model, corporate strategy, business plans and operations. They are also provided updates on financial performance, annual budgets, internal control systems, risk management framework and statutory compliances. Additionally, they are familiarised with the Company's vision, core values, ethical standards and corporate governance practices.

At the time of appointment, Independent Directors are provided with relevant documents and information, including the Company's constitutional documents, recent Annual Reports, investor presentations, policies and other key materials. A formal letter of appointment is also issued, outlining their fiduciary duties, roles, responsibilities and associated liabilities.

On an ongoing basis, periodic presentations are made at Board and Committee meetings covering, inter alia, operational and financial performance, industry developments, business strategy, internal controls and risk mitigation measures. Independent Directors are also regularly updated on significant regulatory changes, judicial pronouncements and amendments in applicable laws.

e) Evaluation of performance of the Board of Directors:

Pursuant to the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board has undertaken a comprehensive annual evaluation of its performance, that of its Committees, and of individual Directors, including the Executive Director and the Chairperson.

The evaluation was carried out through a structured and formalised framework designed to assess various aspects of the Board's functioning and effectiveness. The evaluation criteria, inter alia, included attendance and active participation in Board and Committee meetings, integrity, independence of judgment, domain expertise, experience, quality of contribution to deliberations, effectiveness in monitoring governance and compliance frameworks, and the ability to safeguard and balance the interests of all stakeholders. The assessment also encompassed the Board's effectiveness in providing strategic direction, overseeing management performance, and ensuring the robust implementation of policies and internal control systems.

The performance of the Board as a whole was evaluated by the Independent Directors, while the performance of the Independent Directors was assessed by the Board, excluding the Director being evaluated, in order to ensure objectivity and fairness in the evaluation process.

Further, in a separate meeting of the Independent Directors, the performance of the Non-Independent Directors and that of the Board as a whole was

reviewed. The Independent Directors also evaluated the performance of the Chairperson, taking into account the views of the Executive Director and the Non-Executive Directors.

The Directors expressed their satisfaction with the evaluation process, noting that it is comprehensive, transparent, and effective in enhancing the overall performance and governance standards of the Board and its Committees.

f) Audit Committee:

The Audit Committee of the Board is constituted in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. The Committee comprises Mr. Suresh Subramanian as Chairman, and Dr. Raghuram Devarakonda and Mr. B. Raghavendra Rao as Members. A detailed note on the composition, roles and responsibilities, and meetings of the Audit Committee is provided in the Corporate Governance Report forming part of this Annual Report.

The Board has accepted all recommendations made by the Audit Committee during the year under review.

g) Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the Loss of the Company for the year ended on that date;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the Annual Accounts of the Company on a 'going concern' basis;
- They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

h) Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Companies Act, 2013 ("the Act"), the following are the Key Managerial Personnel of the Company:

- Dr. Raghuram Devarakonda – Managing Director & Chief Executive Officer
- Mr. N. Shankar – Chief Financial Officer
- Mr. Satish Kumar Subudhi – Company Secretary

During the year under review, Mr. Anish T. Mathew resigned from the position of Chief Financial Officer with effect from December 1, 2025, and consequently, Mr. N. Shankar was appointed as the Chief Financial Officer with effect from the same date. Further, Mr. Satish Kumar Subudhi resigned from the position of Company Secretary and Compliance Officer with effect from May 5, 2026, and consequently, Mr. Rajesh Mukhija was appointed as the Company Secretary and Compliance Officer of the Company. Other than the aforesaid changes, there were no changes in the Key Managerial Personnel of the Company during the financial year under review date.

i) Termination of agreement:

Pursuant to the change in control of the Company following the acquisition of a controlling stake by Coromandel International Limited, the Shareholders' Investment Agreement entered into with Mr. Atul Churiwal and Mr. Rajesh Kumar Agarwal (Nominee Directors) was terminated with effect from August 8, 2025.

Additionally, following the resignation of Mr. G. Veera Bhadrani as Whole-time Director and Non-Executive Non-Independent Director, the Company entered into a Business Advisory Agreement with him. The agreement was subsequently terminated and novated with effect from December 1, 2025.

j) Meeting of Independent Directors:

The particulars of the separate meeting of the Independent Directors are set out in the Corporate Governance Report, which forms part of this Annual Report.

The Company has adopted a comprehensive Nomination and Remuneration Policy, which lays down well-defined criteria for the identification, selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel. The policy ensures that individuals appointed to such positions possess the requisite qualifications, experience, expertise and integrity, and are aligned with the Company's governance standards and long-term objectives.

Further, the Company has established clear principles governing the remuneration payable to Non-Executive Directors, ensuring that such remuneration is commensurate with their roles and responsibilities and

is in line with applicable laws and industry benchmarks. The aforesaid policy is hosted on the Company's website at www.naclind.com.

Corporate Social Responsibility:

The Murugappa group is known for its tradition of philanthropy and community service. The group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare as the core focus areas. The Company upholds the group's tradition by earmarking a part of its income for carrying out its social responsibilities.

The Company has been carrying out Corporate Social Responsibility (CSR) activities for many years now even before it was mandated under the Act. The Company has put in place a CSR policy, which is available on the website of the Company at <https://naclind.com/investor-relations/investor-information/policies/>.

While the Company did not have any statutory Corporate Social Responsibility (CSR) spending obligation during the financial year under review, it continued to undertake various social welfare and community development initiatives on a voluntary basis. These initiatives focused on improving the quality of life in communities surrounding the Company's operations and included support for education, healthcare, access to safe drinking water, village development, infrastructure enhancement, vocational training and community welfare programmes.

As per the provisions of Section 135 of the Act and Rules made thereunder, the average net profits of the Company, computed in accordance with Section 198 of the Act for the immediately preceding three financial years, resulted in a negative figure of ₹15.21 Lakhs. Accordingly, no amount was spent towards CSR activities for the financial year 2025-26.

Details of the composition of the Corporate Social Responsibility Committee are given in the Annual Report on CSR Activities, which is appended as Annexure-III to this Report.

Change in the nature of business:

There is no change in the nature of business of the Company.

Significant and Material Orders passed by the Regulators or Courts:

The Company confirms that no significant or material orders were passed by regulators, courts or tribunals during the year under review which could have an adverse impact on its going concern status or on its operations in the foreseeable future.

Particulars of Loans, Guarantees or Investments under Section 186:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the Company, in the ordinary course of its business, has made investments in, and extended loans and/or provided guarantees to, its wholly-owned subsidiaries for their business purposes.

The details of such loans, guarantees and investments, along with the purpose for which the loans or guarantees were proposed to be utilised by the recipients, are disclosed in the notes to the financial statements forming part of this Annual Report.

Extracts of Annual Return:

Pursuant to the provisions of Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is hosted on the Company's website at www.naclind.com.

Risk Management Policy:

Pursuant to the provisions of Section 134 and other applicable provisions of the Companies Act, 2013 ("the Act"), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has constituted a Risk Management Committee and adopted a Risk Management Policy.

The Policy provides a structured framework for identification, assessment, monitoring and mitigation of risks across the organization. It, inter alia, lays down procedures for implementation of the risk management plan and ensures a systematic approach to managing risks that may impact the Company's business objectives.

The Risk Management Committee is responsible for overseeing the implementation of the risk management framework, periodically reviewing the risk management plan and ensuring its effectiveness.

Details of the composition of the Committee and its terms of reference are provided in the Corporate Governance Report, which forms part of this Annual Report.

The Company has identified key risks across its business and functional areas, and appropriate mitigation plans are in place. These risks are reviewed on a continuous basis to ensure timely and effective management.

Related Party Transactions:

All related party transactions entered into during the financial year were in the ordinary course of business and on an arm's length basis, and were in compliance with the applicable provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the year under review, the Company entered into transactions with Coromandel International Limited, a related party, which shall be considered material in terms of Regulation 23 of the Listing Regulations, and the approval of the members for the said transaction was obtained on November 30, 2025 vide Postal Ballot

All Related Party Transactions ("RPTs") are placed before the Audit Committee for prior approval. Omnibus approvals

are obtained for transactions that are repetitive in nature, in accordance with the policy approved by the Board. The transactions entered into pursuant to such omnibus approvals are reviewed by the Audit Committee on a quarterly basis.

Further, details of all related party transactions are presented to the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of such transactions.

The disclosures of related party transactions, as required under Ind AS 24, are provided in the notes to the financial statements and forming part of this Annual Report.

The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is Annexed as Annexure IV.

The Company has formulated a Related Party Transactions Policy, which is available on the Company's website at www.naclind.com.

Nomination and Remuneration Policy:

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel.

The Nomination and Remuneration Committee ("NRC") has formulated the criteria for determining qualifications, positive attributes and independence of Directors, in accordance with the provisions of the Act and the Listing Regulations. The Policy, inter alia, provides a framework for selection, appointment and remuneration of Directors and senior management, ensuring alignment with the Company's governance standards and strategic objectives.

Details of the composition of the NRC, its terms of reference and meetings held during the year are provided in the Corporate Governance Report, which forms part of this Annual Report.

Corporate Governance:

In accordance with Regulation 34 read with Schedule V (Part C) of the Listing Regulations, the Corporate Governance Report is presented as a separate section of this Annual Report, together with the Auditor's Certificate confirming compliance with the prescribed requirements.

The Company has in place a Code of Conduct applicable to the Board and Senior Management Personnel. All concerned have affirmed compliance with the said Code for the financial year 2025-26, and a declaration in this regard forms part of the Corporate Governance Report.

A certificate from the Managing Director and Chief Financial Officer, as required under Regulation 17(8) of the Listing Regulations, confirming the accuracy of financial statements

and adequacy of internal controls, is also included in this Annual Report.

Management Discussion and Analysis Report and Business Responsibility Report:

The Management Discussion and Analysis Report for the year under review, in terms of the Listing Regulations, is presented in a separate section forming part of this Annual Report and provides an overview of the Company's performance, industry trends, risks and outlook.

Further, in compliance with Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report, containing the requisite disclosures on environmental, social and governance parameters, is included in this Annual Report.

Vigil Mechanism/Whistle Blower Policy:

The Company has established a Vigil Mechanism / Whistle Blower Policy in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), to provide a formal framework for reporting concerns relating to unethical behaviour, actual or suspected fraud, violations of the Company's Code of Conduct or any irregularity or mismanagement.

The Policy enables Directors and employees to report genuine concerns, including through direct access to the Chairman of the Audit Committee. It ensures adequate safeguards against victimisation of whistleblowers and provides for strict confidentiality of the information reported.

The Whistle Blower Policy is available on the Company's website at www.naclind.com.

During the year under review, no complaints were received under the said Policy. It is further affirmed that no personnel of the Company has been denied access to the Audit Committee.

Prevention of Sexual Harassment of Women at workplace:

The Company maintains a zero-tolerance approach towards sexual harassment at the workplace and is committed to providing a safe, secure and inclusive work environment for all its employees.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has adopted a Policy on Prevention of Sexual Harassment. The Policy, which is gender-neutral, aims to prevent, prohibit and redress instances of sexual harassment and ensures a fair, transparent and robust grievance redressal mechanism.

The Company has constituted an Internal Complaints Committee ("ICC") in accordance with the requirements of the POSH Act. The ICC is responsible for addressing complaints in a timely and confidential manner, in line with the prescribed procedures.

To promote awareness and ensure adherence to the Policy, the Company conducts periodic training and sensitisation programmes across its locations, enabling employees to understand their rights and responsibilities under the POSH framework.

During the financial year 2025-26, the status of complaints received by the Company is detailed below:

Number of complaints filed during the financial year: Nil

Number of complaints disposed off during the financial year: Nil

Number of complaints pending as on end of the financial year: Nil

Statement of Compliance with the provisions relating to the Maternity Benefit Act 1961:

The Company has complied with relevant provisions of the Maternity Benefit Act, 1961. There is one beneficiary who availed maternity benefits during FY 2025-26 including leave and benefit payments.

Brand Protections:

The Company has implemented appropriate measures to protect its brands against counterfeiting, spurious products and unfair trade practices. During the year, necessary actions were undertaken to identify and address such instances, including enforcement and monitoring mechanisms. The Company remains committed to preserving brand integrity and ensuring fair market practices.

Fixed Deposit:

During the financial year under review, the Company did not accept any deposits from the public in terms of the Companies Act, 2013 and the rules made thereunder. Consequently, no amount on account of principal or interest was outstanding as at the Balance Sheet date.

Industrial Relations:

Industrial relations across the Company's manufacturing locations and corporate office remained cordial and harmonious during the year under review.

Insurance:

The Company has taken adequate insurance coverage for its assets and insurable interests, including inventories, buildings, plant and machinery, and other assets, against various risks, in line with industry practices.

Particulars of Employees and Remuneration:

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures relating to remuneration are provided in Annexure IV, forming part of this Report.

The statement containing the particulars of the top ten employees in terms of remuneration drawn and other prescribed details of employees under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the aforesaid Rules forms part of this Report. However, in accordance with the provisions of Section 136 of the Act, the Annual Report is being circulated to the Members without the said statement. Any Member interested in obtaining a copy of the same may write to the Company Secretary of the Company, and the same shall be made available for inspection at the Registered Office of the Company.

Compliance with Secretarial Standards:

During the year under review, the Company has adhered to the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, in line with statutory requirements.

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

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption, and foreign exchange earnings and outgo are provided in a separate statement annexed to this Report as Annexure-V, which forms an integral part of this Report.

Declaration / Affirmations:

During the financial year under review:

- No significant or material orders were passed by any regulatory authorities, courts or tribunals that would adversely impact the going concern status of the Company or its future operations.
- No applications were made, nor are any proceedings pending, under the Insolvency and Bankruptcy Code, 2016.
- The Company has not undertaken any one-time settlement with any bank or financial institution. Accordingly, the related disclosure requirements are not applicable.

associates, shareholders, customers, dealers, agents, suppliers and all other stakeholders for their continued support and confidence.

The Directors also acknowledge the valuable assistance and cooperation extended by the Government of India, State Governments, regulatory authorities and other institutions. The Company remains thankful to the farming community and the local communities in the vicinity of its operations for their continued support.

The Directors place on record their deep appreciation for the commitment, dedication and exemplary efforts of the employees across all levels, whose contributions have played a vital role in the Company's progress and achievements during the year.

The Directors look forward to the future with confidence and remain grateful for the continued trust reposed in the Company.

Acknowledgement:

Your Directors wish to express their sincere gratitude to the Company's bankers, financial institutions, lenders, business

For and on behalf of the Board

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Sankarasubramanian S
Director
(DIN:01592772)

Place: Hyderabad
Date: May 04, 2026

Annexure - I

Form No. AOC-1

(Pursuant to proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(₹ in Lakhs)

Sl. No	Particulars	Name of the Company					
		NACL Spec-Chem Limited (Wholly owned Subsidiary)	NACL Multi-Chem Private Limited (Wholly owned Subsidiary)	NACL Agri-Solutions Private Limited	L.R. Research Laboratories Private Limited (Wholly owned Subsidiary)	NACL Industries (Nigeria) Limited	Nagarjuna Agrichem (Australia) Pty. Limited (Overseas Wholly owned Subsidiary)
1	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	NA	NA	NA	NA	NA	NA
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR	INR	Niara	AUD (AUD/INR = 64.34)
3	Share capital	200	1	100	1	*	32
4	Other equity	(350)	(9)	1	(6)	-	(20)
5	Total assets	29,410	742	223	5	-	36
6	Total Liabilities	29,560	750	122	10	-	24
7	Investments	-	-	-	-	-	-
8	Revenue	15,373	23	116	-	-	14
9	Profit/(Loss) Before Tax	(1,948)	(104)	(7)	(1)	-	-
10	Tax Expenses	(331)	(18)	(1)	-	-	-
11	Profit/(Loss) after tax	(1,617)	(86)	(6)	(1)	-	-
12	Proposed Dividend	-	-	-	-	-	-
13	% of shareholding	100%	100%	100%	100%	100%	100%

*The Company is yet to subscribe to the share capital of NACL Industries (Nigeria) Limited as on date.

Note:

- Names of subsidiaries which are yet to commence operations: NACL Industries (Nigeria) Limited
- Names of subsidiaries which have been liquidated or sold during the year: None

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

Part "B": Associates and Joint Ventures

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

	Name of Associate	Nasense Labs Private Limited
1.	Latest Un-audited Balance Sheet Date	March 31, 2026
2.	Shares of Associate/Joint Ventures held by the Company on the year end	Shares @ ₹10/-
	i) No. of Equity Shares	61,27,513
	ii) Amount of Investment in Associates/ Joint Venture	₹816 Lakhs
	iii) Extent of Holding %	26%
3.	Description of how there is significant influence	Significant influence means control of at least 20% of the total shares capital or of business decisions under an agreement. Since the holding of the company is more than 20% hence there is significant influence.
4.	Reason why the Associate/ Joint Venture is not consolidated	The investments in M/s Nasense Labs Pvt. Ltd. have been accounted in the consolidated financial statements under the equity method in accordance with Indian Accounting Standard (Ind AS) 28 – Investments in Associates.
5.	Net worth attributable to Shareholding as per latest Un-audited Balance Sheet	₹ 816 Lakhs
6.	Loss for the year	₹(63) Lakhs
	i. Considered in Consolidation	₹(16) Lakhs
	ii. Not Considered in Consolidation	₹(47) Lakhs
	Names of associates or joint ventures which are yet to commence operations.	Nil
	Names of associates or joint ventures which have been liquidated or sold during the year.	Nil

For and on behalf of the Board

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Sankarasubramanian S
Director
(DIN:01592772)

Place: Hyderabad
Date: May 04, 2026

N. Shankar
Chief Financial Officer

Satish Kumar Subudhi
Company Secretary

The Members

NACL INDUSTRIES LIMITED
CIN: L24219TG1986PLC016607
1-2-10, Sardar Patel Road, Secunderabad,
Telangana – 500003.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NACL INDUSTRIES LIMITED [CIN: L24219TG1986PLC016607]** (hereinafter called "the Company") for the financial year ended 31st March, 2026. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There are no External Commercial Borrowings and Foreign Direct Investment during the year period;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable during the year under review);
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable during the year under review); and
- i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (not applicable during the year under review);
- (vi) The Management has identified and confirmed the following laws as being specifically applicable to the Company:
 1. Factories Act, 1948, Fertilizer (Control) Order, 1985 and Rules made thereunder;
 2. The Insecticides Act, 1968 and Rules made there under;

3. Explosives Act, 1889 and Rules made there under;
4. The Indian Boilers Act, 1923 & the Indian Boilers Regulations, 1950;
5. The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996;
6. Environment Protection Act, 1986 and other environmental laws.
7. Labour laws and Rules made there under;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance with the laws mentioned above.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (as amended) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations")

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above except to the extent as mentioned below:

1. *We have been informed that the Company is in process of complying with the provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, with respect to filing of Form IEPF-4 for the financial years 2016-17 and 2017-18.*
2. *The Company has not complied with Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires prior intimation of Board Meetings to the Stock Exchanges at least two working days in advance (excluding the date of intimation and the date of the meeting). In respect of the Board Meeting held on October 24, 2025, the intimation was given on October 20, 2025, whereas*

October 21 and October 22, 2025 were trading holidays, resulting in non-compliance. The company paid a fine of ₹10,000 each to both stock exchanges.

3. *With respect to the non-compliance observed by BSE Limited under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the timely submission of Related Party Transactions in the prescribed format along with the financial results, a penalty of ₹55,000 was imposed, which has been duly remitted by the Company. Although the Integrated Filing (Financials – XBRL) for Q2 FY 2025-26 was duly submitted with NSE within the stipulated timeline, a separate filing with BSE Limited was inadvertently not made within the due date due to a misinterpretation of the single-window / integrated filing framework. The disclosure was subsequently submitted to BSE Limited on November 05, 2025, as against the due date of October 28, 2025, resulting in a delay of seven days.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Woman Independent Director, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act and the Listing Regulations.

Adequate notice is given to all directors before the schedule of the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Meetings which are convened at shorter notice and agenda/ notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Meeting of the Board of Directors are generally complied with except to the extent as mentioned above.

During the year under review the Directors/ Members who have participated in the Board/ Committee meetings through Video Conferencing were in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors/ Committee Members and no Director/ Member of the Committee dissented on the decisions taken at such Board/ Committee Meetings.

We further report that based on review of compliance mechanism established by the Company and on basis of the Compliance certificates issued by the Managing Director & Chief Executive Officer and Chief Financial Officer taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

We further report that the above-mentioned Company being a listed entity, this report is also issued pursuant to Regulation 24A of the Listing Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) incorporated in India pursuant to Regulation 16(1)(c) and Regulation 24A of the Listing Regulations during the year under review.

We further report that during the audit period, the Company had

- Obtained approval of Board at its meeting dated 28th May, 2025 for extension of Inter-corporate loan to NACL Spec-chem Limited for an amount of Rs. 34.28 crores.
- Pursuant to consummation of the Share Purchase Agreement on August 8, 2025, Coromandel International Limited acquired 10,69,07,146 equity shares (53.08%) along with control of the Company and was inducted as Promoter, consequent to which the Company became its subsidiary. Further, pursuant to the open offer, the acquirer purchased 5,435 additional equity shares, aggregating to 10,69,12,581 equity shares (53.08%). Consequently, **KLR Products Limited, Bright Town Investment Advisors Private Limited and K Lakshmi Raju were reclassified from Promoter and Promoter Group to Public category with effect from August 8, 2025.

PLACE : CHENNAI
DATE : 04.05.2026

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

- Obtained approval of the shareholders through Postal Ballot dated November 30, 2025 regarding Material Related Party transactions with its Holding Company viz Coromandel International Limited for an aggregate amount not exceeding Rs. 785 crores.
- Obtained approval of the board at its meeting dated 1st December, 2025 for Issue of shares on rights basis for an aggregate amount of up to Rs. 250 Crores. The Company had allotted 3,25,01,851 equity shares on 31st December, 2025.
- Obtained approval Securities Issue Committee at its meeting dated 31st December 2025 for investment aggregating up to ₹83 Crores (Rupees Eighty-Three Crores only) in NACL Spec Chem Limited by way of subscription to 0.01% Compulsory Convertible Debentures ("CCDs") of ₹1,00,000/- each, in one or more tranches.
- Obtained approval of Board at its meeting dated 29th January, 2026 for:
 - a) investment aggregating up to ₹20 Crores (Rupees Twenty Crores only) in NACL Spec Chem Limited by way of subscription to 0.01% Compulsory Convertible Debentures ("CCDs") of ₹1,00,000/- each, in one or more tranches.
 - b) the extension of tenure by two more years on Inter-Corporate Loans extended to NACL Spec Chem Limited, a wholly owned subsidiary, aggregating to Rs. 55 Crores being disbursed from time to time, and revision of interest rate from 10% to 7.5%. All other terms and conditions of the loan shall remain unchanged

CS R. SRIDHARAN
MANAGING PARTNER

CP No. 3239

FCS No. 4775

PR NO: 6333/2024

UIN : P2022TN093500
UDIN: F004775H000259755

Annexure -A

Annexure - III

The Members
NACL INDUSTRIES LIMITED
CIN: L24219TG1986PLC016607
1-2-10, Sardar Patel Road, Secunderabad,
Telangana – 500003.

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

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the Company under the specified laws.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SRIDHARAN & SRIDHARAN ASSOCIATES**
COMPANY SECRETARIES

CS R. SRIDHARAN
MANAGING PARTNER
CP No. 3239
FCS No. 4775
PR NO: 6333/2024

UIN : P2022TN093500
UDIN: F004775H000259755

PLACE : CHENNAI
DATE : 04.05.2026

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

- Details of contracts or arrangements or transactions not at arm's length basis: NIL

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	--
b)	Nature of contracts/arrangements/transaction	--
c)	Duration of the contracts/arrangements/transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	--
e)	Justification for entering into such contracts or arrangements or transactions'	--
f)	Date of approval by the Board	There were no contracts and arrangements or transactions entered during the year ended March 31, 2026, which were not at arm's length basis
g)	Amount paid as advances, if any	--
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	--

- Details of material contracts or arrangements or transactions at arm's length basis: NIL

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Coromandel International Limited (Holding Company)
b)	Nature of contracts/arrangements/transaction	Letter of comfort, Purchase, Sales, Inter-corporate services and Right issue subscription
c)	Duration of the contracts/arrangements/transaction	1 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	611 Crores
e)	Date of approval by the Board	24-10-2025
f)	Amount paid as advances, if any	N. A

For and on behalf of the Board

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Sankarasubramanian S
Director
(DIN:01592772)

Place: Hyderabad
Date: May 04, 2026

N. Shankar
Chief Financial Officer

Satish Kumar Subudhi
Company Secretary

Annexure – IV

The disclosure of remuneration during the year 2025-26 pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:

1. Ratio of remuneration of each Director to the median remuneration of employees of the Company for the financial year 2025-26 and the Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any in the financial year.

S. No.	Name of Director and KMP	Remuneration (₹ in Lakhs)	Ratio median remuneration	% Increase in remuneration in the FY
1)	Mr. Arun Alagappan, Non-Executive Director & Chairman	Nil	-	-
2)	Dr. Raghuram Devarakonda, Managing Director & CEO	219	33.97	-
3)	Mr. S. Sankarasubramanian, Non-Executive Director	Nil	-	-
4)	Mr. Suresh Subramanian, Independent Directors	8.66	1.56	-
5)	Mr. B. Raghavendra Rao, Independent Directors	8.16	1.47	-
6)	Ms. M. Lakshmi Kantam, Independent Directors	6.55	1.18	-
7)	Mr. Sanjiv Lal, Independent Directors	4.36	0.78	-
8)	Mr. Natarajan Srinivasan, Non-Executive Director & Chairman	0.40	0.07	-
9)	Ms. K. Lakshmi Raju, Non-Executive Chairperson	1.50	0.27	-
10)	Mr. G. V. Bhadram, Whole time Director	134	24.09	-
11)	Mr. Sudhakar Kudva, Non-Executive Independent Director	2.35	0.42	-
12)	Mr. Santanu Mukherjee, Non-Executive Independent Director	2.15	0.39	-
13)	Mr. N. Sambasiva Rao, Non-Executive Independent Director	1.75	0.31	-
14)	Mr. Ramkrishna Mudholkar, Non-Executive Independent Director	1.30	0.23	-
15)	Ms. Veni Mocherla, Non-Executive Independent Director	1.40	0.25	-
16)	Mr. Raj Kaul, Non-Executive Non-Independent Director	0.76	0.14	-
17)	Mr. Rajesh Kumar Agarwal, Nominee Director	1.00	0.18	-
18)	Mr. Atul Churiwal, Nominee Director	1.00	0.18	-
19)	Mr. Anish Mathew, former CFO	87	15.64	-
20)	Mr. N. Shankar, CFO	42	7.55	-
21)	Mr. Satish Kumar Subudhi, Head – Legal & Company Secretary	71	12.76	7.58

Notes:

- a) During the year under review, the sitting fees have been paid to the Independent Directors for attending the meetings of the Board of Directors and Committee Meetings.
- b) Employees for the purpose above include all employees excluding employees governed under collective bargaining.
2. The Percentage increase in the median remuneration of employees in the financial year: 8.93 %.
3. The number of permanent employees on the rolls of the Company: 1,355
4. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration:
5. The average percentile increases in the salaries of employees other than the managerial personnel was 7.42%.

6. Statement under Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) i) Gross remuneration shown above is subject to tax and comprises salary, allowances, commission, incentives, monetary value of perquisites, Company's contribution to provident fund and superannuation fund. In addition to the above, employees are also entitled to gratuity, medical benefits etc. in accordance with Company's Rules.
- ii) None of the above employee, along with the spouse and dependent children holds more than 2% of the equity shares of the Company.
- iii) All employees are permanent employees of the Company.
- (b) Employed throughout the financial year and in receipt of remuneration aggregating One Crore and Two Lakhs Rupees per financial year: 3
- (c) Employed for part of the financial year and in receipt of remuneration aggregating Eight Lakhs and Fifty Thousand Rupees per month or more: 1
- (d) In terms of Section 136 of the Act, the statement containing particulars of employee as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is open for inspection at the Registered office of the Company. Any shareholder interested in obtaining copy of the same may write to the Company Secretary.

7. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees, adopted by the Company.

For and on behalf of the Board

Dr. Raghuram Devarakonda

Managing Director & CEO

(DIN: 09749805)

Sankarasubramanian S

Director

(DIN: 01592772)

Place: Hyderabad

Date: May 04, 2026

Annexure – V

The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

[Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

1. Steps taken or impact on conservation of energy:
 - i) Reduction of electricity consumption by reducing motor sizes for optimum efficiency operation.
 - ii) Reduction of electricity consumption by optimising flow with Variable Frequency Drives (VFDs).
 - iii) Reduction of electricity consumption by converting belt drives to direct drives for optimum efficiency operation.
 - iv) Reduction of electricity consumption by replacing Standard efficiency motors with Premium efficiency motors (15 numbers).
 - v) Reduction of electricity consumption by blending imported coal with Indian coal (2:1 ratio).
 - vi) Reduction of electricity consumption by installing dry vacuum pumps in place of steam jet ejectors.
 - vii) Reduction of electricity consumption through process optimisation (THFM Time Cycle Reduction).
 - viii) Reduction of electricity consumption by installing condensate recovery systems.
 - ix) Reduction of electricity consumption by optimising the running hours of utility pumps.
 - x) Reduction of electricity consumption by reducing ZLD running hours.
2. The capital investment on energy conservation equipment's:

Area of Improvement	Improvement	Cost of Project (₹ Lakh)	Per Annum Saving (₹ Lakh)
DRO Plant	Reduction of electricity consumption by reducing motor sizes for optimum efficiency operation	0.10	5.83
B4 Blocks	Reduction of electricity consumption by converting belt drives to direct drives for optimum efficiency operation	2.00	6.70
B-3,B-4, BRP, B-7 Blocks	Reduction of electricity consumption by Providing Variable Frequency Drives (VFDs) to reduce Agitator speed for process requirement	1.5	13.99
Total Plant	Reduction of electricity consumption by replacing Standard efficiency motors with Premium efficiency motors	1.2	3.00
Total in lakhs		4.8	29.52

B. DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION:

1	The efforts made towards technology absorption	1. Installed Variable Frequency Drives (VFDs) in utilities to optimise flow and reduce power consumption.
		2. Replaced --- standard efficiency motors with premium efficiency motors across the plant.
		3. Implemented agitator speed optimisation (92 RPM to 75 RPM) by gear box & motor replacement in Block-5 reactors.
		4. Installed dry vacuum pump in place of steam jet ejectors for process operations in Block-3.
		5. Optimised utility pump running hours and ZLD operations to save electrical energy.
2	The benefits derived like product improvement, cost reduction, product development or import substitution (FY 2025-26 vs FY 2024-25)	a. Specific coal consumption reduced from 2.22 MT/MT to 1.86 MT/MT (17% reduction).
		b. Specific steam consumption reduced from 9.27 MT/MT to 7.91 MT/MT (15% reduction).
		c. Specific power consumption reduced from 2701 kWh/MT to 2117 kWh/MT (6% reduction).
		d. Annual savings of ₹ 29.52 Lakh achieved from energy conservation projects against an investment of ₹ 4.8 Lakh (average payback: 7 months).
3	In case of imported technology (imported during the last three (3) years reckoned from the beginning of the financial year)	The Company has not imported any technology during the year FY 2025-2026.
		a. Details of Technology Imported
		b. Year of Import
		c. Whether the Technology has been fully absorbed
4	The expenditure incurred on Research & Development	a. Specific areas in which R&D carried out by the Company.
		b. Benefits delivered as a result of the above R&D.
		c. Future plans of action.
		d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.
5	Expenditure on R&D for the financial year	2025-26
		2024-25
		a. Capital expenditure
		b. Revenue expenses
c. Total expenditure as a percentage of total turnover		

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of the actual outflow.

1. Foreign Exchange earned	₹35,355 lakhs
2. Foreign Exchange Used	₹ 31,370 lakhs

For and on behalf of the Board

Dr. Raghuram Devarakonda

Managing Director & CEO
(DIN: 09749805)

Sankarasubramanian S

Director
(DIN: 01592772)

Place: Hyderabad

Date: May 04, 2026

Management Discussion AND ANALYSIS

Global Economic Landscape (FY 2025–26)

The global economy during FY 2025–26 continued to navigate a complex and evolving macroeconomic environment, marked by moderating growth, easing inflationary pressures, and persistent geopolitical and trade-related uncertainties. According to the latest updates from the International Monetary Fund, global GDP growth is estimated at approximately 3.3% in 2025 and is projected to moderate slightly to around 3.2% in 2026, reflecting a phase of stable yet below-trend expansion compared to the pre-pandemic average of 3.8% (2000–2019).

Emerging market and developing economies (EMDEs) continued to act as the primary drivers of global growth, expanding at approximately 4.4% in 2025. China's economy recorded growth of around 4.8% in 2025, supported by policy stimulus measures and export resilience, although structural challenges in the real estate sector persist, with growth projected to moderate to around 4.1% in 2026. India continued to stand out as one of the fastest-growing major economies, with growth projected at 6.5% in 2025 and around 6.4% in 2026, supported by robust domestic demand, infrastructure investments, and ongoing structural reforms.

Commodity markets, particularly in the agricultural sector, exhibited relative stabilization following periods of significant volatility in prior years. However, prices remain susceptible to climate-related disruptions, geopolitical tensions, and policy interventions, underscoring continued vulnerabilities in global supply chains. Energy markets also remained sensitive to geopolitical developments, particularly in key regions such as the Middle East, contributing to periodic volatility in oil prices.

Overall, the global economic outlook remains cautiously stable yet exposed to downside risks, including geopolitical tensions, trade fragmentation, climate-related disruptions, and slower productivity growth.

Key Global Indicators

Indicator	2023 (Actual)	2024 (Est.)	2025 (Est.)
Global GDP Growth	~3.0%	3.2%	3.3%
Advanced Economies GDP Growth	1.6%	1.7%	1.7%
Emerging & Developing Economies GDP Growth	4.3%	4.3%	4.4%
Euro Area GDP Growth	0.5–0.7%	1.3%	0.9%
Global Inflation	6.8%	5.8%	4.4%

Global GDP Growth Projections (2024–2026)

Year	Global (%)	United States (%)	Euro Area (%)	China (%)	India (%)
2024	3.2	2.1	1.3	4.5	6.3
2025	3.3	1.9	0.9	4.8	6.5
2026	3.2	2.0	1.1	4.1	6.4

Sources:

International Monetary Fund (World Economic Outlook Update – Jan 2026), World Bank (Global Economic Prospects –Jan 2026), United Nations, Organisation for Economic Co-operation and Development (latest available edition), World Trade Organization, United Nations Conference on Trade and Development (Global Trade Update), Reuters (coverage of IMF growth and inflation outlook – 2025–2026).

Indian Economic Landscape:

India's economy continued to demonstrate strong resilience and above-global-average growth during FY 2025–26, maintaining its position among the world's largest economies and steadily progressing toward becoming one of the leading global economies in the medium term. Real GDP growth is estimated in the range of approximately 6.2%–6.5% in FY 2025–26, based on provisional estimates and multilateral projections, reflecting sustained economic momentum despite global uncertainties. This growth was supported by steady domestic consumption, continued public capital expenditure, and strong performance in the services sector, along with improving manufacturing activity. While certain high-frequency indicators and quarterly estimates suggest stronger momentum, annual growth estimates remain within a stable medium-growth band.

Nominal GDP continued to expand steadily, supported by stable price conditions and sustained economic activity. Overall economic output continued to increase in absolute terms, supported by consumption demand, investment activity, and government-led infrastructure spending. This trajectory remains broadly consistent with projections by the Reserve Bank of India and other multilateral institutions, which place India's medium-term growth in the range of 6.4%–6.7%. The International Monetary Fund also projects India's growth in the mid-6% range, reaffirming its position as one of the fastest-growing major economies.

Inflationary pressures moderated further during FY 2025–26. Consumer Price Index (CPI) inflation eased to approximately 4.5%, supported by favourable monsoon conditions, easing food prices, and stable global commodity trends, bringing

inflation closer to the central bank’s target band. In response, the Reserve Bank of India adopted a calibrated approach toward monetary policy, with easing bias emerging as inflationary pressures moderated. These developments supported consumption growth and improved liquidity conditions.

India’s external sector remained resilient during FY 2025–26. The current account deficit remained within manageable levels, supported by strong services exports, stable remittance inflows, and moderation in commodity prices. Despite global trade uncertainties, India’s diversified economic base and domestic demand supported external stability.

On the fiscal front, the Government continued its focus on fiscal consolidation alongside growth-oriented expenditure during FY 2025–26. Public capital expenditure remained strong, particularly in infrastructure and logistics. The fiscal deficit is estimated to moderate toward ~5.1% of GDP, supported by buoyant tax collections, including strong Goods and Services Tax (GST) revenues.

Overall, India’s macroeconomic performance in FY 2025–26 reflects a stable and resilient growth trajectory, underpinned by strong domestic demand, improving macroeconomic stability, and sustained policy support. While growth momentum remains robust, it is characterised by steady and sustainable expansion rather than sharp acceleration, ensuring macroeconomic stability. Looking ahead, India is expected to maintain its position as one of the fastest-growing major economies, supported by structural reforms, infrastructure development, digitalisation, and favourable demographics, despite global headwinds.

Key Global Indicators:

Indicator	FY 2023–24	FY 2024–25 (Est.)
Real GDP Growth	8.2%	6.4%
Nominal GDP Growth	9.6%	9.7%
Nominal GDP (₹ lakh crore)	~295.6	~324.1
CPI Inflation	6.7%	~5.4%
Current Account Deficit	~0.7% of GDP	~0.6% of GDP
Repo Rate	6.5%	6.5% (steady)
Projected Real GDP Growth (RBI)	—	~7.0%
Projected Real GDP Growth (IMF – WEO)	—	6.8% (FY 2024–25), 6.5% (FY 2025–26)

Sources: Ministry of Finance; Press Information Bureau (PIB); Ministry of Statistics & Programme Implementation (MoSPI); Reserve Bank of India (Monetary Policy Report, April 2025 and subsequent updates); International Monetary Fund (World Economic Outlook – April 2025, January 2026 update); World Bank (Global Economic Prospects); Reuters.

Global Agriculture Landscape:

The global agriculture sector in FY 2025–26 continued to demonstrate resilient growth, supported by sustained global

food demand, evolving consumption patterns, and increasing adoption of technology-driven and sustainable farming practices. The sector remains structurally strong, driven by population growth projected to reach nearly 10 billion by 2050, rising income levels in emerging economies, and the increasing need to enhance agricultural productivity under constraints of land, water, and climate variability.

While overall growth momentum remained positive, the sector entered a phase of moderation and normalization, with global agriculture market expansion estimated to remain in the range of ~6–7% annually, reflecting a shift from high-growth recovery to stable, productivity-led expansion. Growth is increasingly influenced by climate volatility, policy interventions, and global trade realignments.

Global crop production remained near record levels during FY 2025–26. Total cereal output is estimated at approximately 2.8–2.9 billion tonnes, broadly stable with marginal year-on-year increases. Major crops such as maize (~1.2–1.25 billion tonnes) and rice (~520–540 million tonnes) continued to dominate global output, while production trends showed increasing variability across regions due to erratic weather conditions. India remained a key contributor to global agricultural output, with wheat production remaining above 110 million tonnes, despite climatic challenges.

Food security continues to remain a critical global concern. Over 9% of the global population remains undernourished, with the number of chronically undernourished projected to remain above 570–580 million by 2030, reflecting persistent structural challenges in food distribution, affordability, and access. Rising food price volatility and supply disruptions continue to exacerbate these challenges, particularly in developing economies.

In FY 2025–26, monsoon patterns exhibited regional variability, including delayed onset and uneven rainfall distribution across key agricultural regions. These conditions impacted sowing timelines, crop acreage decisions, and overall farm-level activity.

Variability in rainfall and temperature patterns also influenced pest and disease intensity, leading to fluctuations in demand for crop protection products. In several regions, compressed spray windows and irregular crop cycles affected consumption patterns and inventory movement.

Key Trends & Insights

- **Climate Risk as a Structural Driver:** Climate variability is now a structural factor influencing agricultural output, impacting crop cycles, pest dynamics, and yield stability globally.
- **Shift Toward Sustainable & Biological Inputs:** Regulatory pressures and sustainability requirements are accelerating the adoption of biological crop protection products and low-residue solutions, particularly in developed markets.

- **Precision Input Application Gaining Importance:** Technologies such as drone-based spraying and variable rate application are transforming crop protection practices, improving efficiency and reducing input wastage.
- **Supply Chain Diversification:** Global agrochemical and agricultural supply chains are undergoing reconfiguration, with increasing focus on “China+1” strategies, positioning countries like India as key manufacturing hubs.
- **Farmer Economics Driving Adoption:** Technology adoption is increasingly guided by return-on-investment considerations, rather than subsidy-driven or experimental usage.

Strategic Implications

- **Shift Toward Integrated Crop Solutions:** Companies must move beyond standalone products toward integrated offerings combining chemistry, biologicals, and digital advisory.
- **Precision Compatibility as a Core Requirement:** Products need to be compatible with precision agriculture systems, including drones and smart application technologies.
- **Regulatory Compliance as Growth Driver:** Regulatory changes are reshaping product portfolios, necessitating continuous innovation and sustainable product development.
- **Supply Chain Resilience & Localization:** Strengthening regional manufacturing and sourcing capabilities is critical to mitigate geopolitical and logistical risks.
- **Data-Driven Agriculture as Competitive Edge:** Integration of data, analytics, and agronomic insights is emerging as a key differentiator in delivering value-added solutions.

The global agriculture sector is undergoing a structural transformation, balancing rising food demand, climate challenges, sustainability imperatives, and technological disruption. While the sector remains fundamentally strong, future growth will increasingly depend on enhancing productivity under resource constraints and adapting to evolving regulatory and environmental expectations.

For the agrochemical industry, these developments translate into sustained demand for advanced crop protection solutions, alongside increasing emphasis on innovation, precision application, and environmentally sustainable product portfolios.

Sources

The Business Research Company (Global Agriculture Market Report 2026), OECD–FAO (Agricultural Outlook 2025–2034), Food and Agriculture Organization, World Bank, International Monetary Fund, UNCTAD, Markets and Markets, Reuters.

Indian Agriculture Landscape:

Agriculture remains a cornerstone of India’s economy, contributing approximately 16% to GDP and supporting nearly 46% of the population. In FY 2025–26, the sector maintained robust momentum with growth estimated in the range of ~3.5%–4.5%, supported by a normal monsoon, improved reservoir levels, and continued policy support, although growth moderated from the higher base of FY 2024–25. In FY 2024–25, the sector demonstrated strong resilience with 4.6% annual growth, accelerating to 5.4% in Q4, aided by a favourable monsoon, record foodgrain production, and sustained policy support. Foodgrain output reached an all-time high of 353.95 million tonnes, led by rice (+8.2%) and wheat (+1.3%), while oilseeds and maize also posted significant gains. Preliminary estimates for FY 2025–26 indicate foodgrain production remaining near record levels at ~350–355 million tonnes, with variability across crops due to weather fluctuations and acreage shifts. Allied sectors such as fisheries and livestock emerged as major growth drivers, recording CAGRs of 13.67% and 12.99%, respectively, underscoring their rising role in rural incomes and nutrition security. Allied activities continue to demonstrate stronger and more stable growth relative to crop agriculture, contributing an increasing share to agricultural GVA. Over the past five years, agriculture and allied activities have grown at an average of 4.2–5%, though FY 2023–24 saw a slowdown with GVA growth dipping to a seven-year low of 1.4% due to uneven monsoon patterns, rural income pressures, and elevated inflation. The sector in FY 2025–26 reflects a normalization from the previous year’s high growth, with increased focus on productivity, resilience, and diversification.

The Government of India reinforced its focus on farm sector resilience, price assurance, and modernization through several measures. The Union Budget for FY 2024–25 raised allocation for agriculture and allied sectors to ₹1.75 lakh crore, the largest increase in six years (+15%), with emphasis on natural farming, digital agriculture, and irrigation expansion. The Union Budget for FY 2025–26 continued this policy momentum, with sustained allocation levels and increased emphasis on climate-resilient agriculture, value chain development, and technology-driven farming solutions. Minimum Support Prices (MSP) were raised sharply—59% for arhar, 77% for bajra, 89% for masur, and 98% for rapeseed—to ensure farmer profitability and incentivize production. MSP revisions in FY 2025–26 remained supportive, with continued focus on ensuring remunerative pricing and encouraging diversification toward pulses and oilseeds. PM-KISAN continued to extend direct income support to over 11 crore farmers, strengthening rural household consumption. The scheme continues to play a critical role in supporting rural liquidity and consumption demand. Major flagship schemes included the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) for expanding irrigation coverage, the Digital Agriculture Mission with a funding outlay of ₹2,817 crore driving initiatives such as AgriStack, soil mapping, and decision-support systems, and the Soil Health Card Scheme under which more than 53 lakh cards were issued in FY 2024–25. Digital agriculture initiatives

gained further traction in FY 2025–26, with increasing adoption of AgriStack-enabled services, precision advisory platforms, and farm-level data integration. In addition, e-NAM integrated 1.78 crore farmers and 1,410 mandis, facilitating agri-trade worth approximately ₹4 lakh crore. Digital market integration continued to strengthen, improving price discovery and market access for farmers. The Natural Farming Mission was allocated ₹2,481 crore to promote climate-resilient practices, while the newly launched Dhan-Dhaanya Krishi Yojana earmarked ₹24,000 crore annually to 100 districts for sustainable and inclusive development. Policy focus has increasingly shifted toward sustainable agriculture, water-use efficiency, and climate adaptation strategies.

Despite headwinds, India's robust production supported a 9% increase in agricultural exports in FY 2023–24, led by demand from the Middle East, Southeast Asia, and Africa. Export momentum in FY 2025–26 remained stable, though influenced by global price trends, trade restrictions on select commodities, and shifting demand patterns across regions. However, food inflation remains a persistent policy challenge, with rural inflation peaking at 5.7% in June 2023 and food inflation surging to 9%, largely driven by supply-chain inefficiencies and commodity price volatility. Food inflation moderated during FY 2025–26 but remained sensitive to supply-side disruptions, particularly in perishables and pulses. On the structural side, AgriTech adoption accelerated significantly, with over 35% growth in mobile-based farming platforms during 2023, enhancing yield optimization and farmer decision-making. In FY 2025–26, the focus of AgriTech adoption has shifted toward precision input application, drone-based spraying, and digital advisory platforms. Digital penetration through platforms such as e-NAM and Soil Health Cards is fostering a unified agri-market and more scientific input usage, while the policy thrust on micro-irrigation, precision farming, and climate-smart agriculture is steadily strengthening the sector's long-term sustainability. Adoption of precision farming technologies and digital tools is increasingly driven by cost efficiency and productivity enhancement.

Given the short-term challenges such as fragmented landholdings, climate variability, and persisting post-harvest losses, India's agriculture sector is structurally strengthening through higher public investment, digital adoption, and climate-smart policies. The sector is increasingly transitioning toward a more diversified and resilient model, with greater contribution from allied activities, improved supply chain infrastructure, and enhanced integration with technology. With record foodgrain production, rising allied sector contribution, and strong export momentum, the sector is well-positioned to drive rural transformation, enhance farmer incomes, and contribute meaningfully to India's long-term growth trajectory. For agrochemical and crop protection companies, these developments translate into sustained demand for yield-enhancing inputs, biological solutions, and precision-compatible products, alongside the need to align with evolving regulatory and sustainability frameworks. For NACL Industries, aligning strategies with government priorities in irrigation, agri-services, supply chains, and sustainable inputs offers significant scope for value creation.

Sources:

Ministry of Agriculture & Farmers Welfare (Government of India), Ministry of Finance (Union Budget 2025–26), Press Information Bureau (PIB), Economic Survey 2025–26, Reserve Bank of India, Food and Agriculture Organization, World Bank, Reuters.

Global Agrochemical Market Overview:

In FY 2025–26, the global agrochemical market demonstrated steady expansion, with overall market size estimated in the range of ~USD 250–270 billion, reflecting annual growth of ~4%–5%, supported by sustained crop protection demand, rising food security concerns, and evolving agricultural practices.

Global Agrochemicals Sector – Snapshot:

Herbicides are the dominant category, fungicides are showing the highest growth momentum, and insecticides continue to expand on the back of pest evolution and climate variability. In FY 2025–26, fungicides recorded relatively stronger growth (mid-single digit) driven by increased disease incidence linked to climate variability, while insecticides demand was supported by rising pest resistance and shifting pest cycles across key crops. Technological adoption, including precision agriculture, drone-based spraying, AI-powered diagnostics, and digital farming platforms, is reinforcing demand for efficient and tailored agrochemical usage across regions. Adoption of precision application technologies has accelerated, particularly in Asia and Latin America, improving input efficiency and reducing overall chemical load per hectare.

The market is undergoing a structural transition as biologicals, eco-friendly formulations, and sustainable chemistries gain traction, supported by regulatory reforms, consumer preference for organic produce, and environmental imperatives. The biologicals segment is witnessing faster growth (estimated ~10%–12% CAGR), significantly outpacing conventional agrochemicals, driven by regulatory restrictions on certain synthetic molecules and increasing demand for residue-free produce. Developed markets like North America and Europe are at the forefront of adopting biopesticides, precision application, and carbon-efficient solutions. In Europe, tightening regulatory frameworks, including restrictions on active ingredients and sustainability mandates, have accelerated the shift toward low-residue and environmentally compliant solutions. At the same time, Asia-Pacific dominates global demand with over one-third of the market share, led by China, India, and Japan, while Latin America continues to expand rapidly through agricultural intensification. Latin America, particularly Brazil, has emerged as a high-growth region driven by soybean and corn cultivation, while Asia continues to benefit from rising crop intensity and increasing agrochemical consumption per hectare.

Despite the optimistic outlook, the industry faces regulatory hurdles, pest resistance, and ecological concerns around synthetic pesticide use. Product approval delays and stringent compliance regimes are pushing companies to diversify

toward bio-based and integrated pest management solutions. In FY 2025–26, regulatory timelines have lengthened further in several jurisdictions, increasing time-to-market for new molecules and elevating compliance costs for manufacturers. To address these challenges, leading players are investing in biologicals, digital farming, and carbon-efficient R&D pipelines, while pursuing strategic mergers and acquisitions to strengthen portfolios. The industry has also witnessed continued consolidation, with companies focusing on portfolio optimization, backward integration, and geographic expansion to enhance competitiveness.

Looking ahead, the global agrochemical sector stands at a pivotal transition point—balancing the scale and reliability of traditional inputs with innovation in sustainable, high-tech, and environmentally conscious solutions. Future growth is expected to be driven by a combination of yield enhancement requirements, climate-resilient farming practices, and increasing adoption of precision agriculture technologies. With the UN projecting the global population to reach 9.7 billion by 2050, necessitating a 70% increase in food production, agrochemicals will remain central to global food security. However, growth will increasingly be shaped by regulatory evolution, sustainability mandates, and the pace of adoption of biological and integrated crop protection solutions.

NACL Industries stands to benefit from these developments through increased demand for diversified crop protection solutions, including specialty formulations and contract manufacturing opportunities, particularly in export-oriented markets. Alignment with regulatory standards, investment in R&D, and expansion into biologicals and precision-compatible products will be critical to sustaining long-term growth.

Sources:

Grand View Research (Global Agrochemicals Market Outlook 2025–2030), Global Market Insights, The Business Research Company (Global Agrochemicals Market Report 2026), Mordor Intelligence, Research and Markets, CropLife International, Food and Agriculture Organization, World Bank, Reuters.

Indian Crop Protection Overview:

In FY 2025–26, the Indian crop protection sector demonstrated a gradual recovery following the export-led correction witnessed in the previous year, with overall market size estimated in the range of ~USD 8.5–9.0 billion, supported by improving global demand conditions and stable domestic consumption. The Indian crop protection sector demonstrated strong resilience in FY 2024, with the market valued at ~USD 8.1 billion, growing at ~9% CAGR between FY 2021–24. Domestic market contributes to ~49% and Export market contributes ~51% of total ~USD 8.1 billion market size. In FY 2025–26, the domestic market share has shown relative stability, while export contribution remains sensitive to global pricing cycles, inventory normalization, and demand recovery across key geographies. This performance stands out against a 22% export volume dip in FY 2024, caused by global inventory destocking, subdued international demand, and aggressive pricing from China. Export volumes in FY 2025–26 have shown

early signs of stabilization, although pricing pressures persist due to continued competition from Chinese manufacturers and elevated global inventories. India remains a pivotal global player—ranking among the top four crop protection chemical producers and emerging as the second-largest exporter worldwide. The country benefits from its cost-competitive manufacturing base, strong formulation capabilities, and expanding agricultural technology adoption. India continues to strengthen its position as a preferred sourcing hub under the “China+1” strategy, supported by supply chain diversification and regulatory alignment in export markets.

The domestic market is expected to expand to USD 11.3 billion by FY 2027–28, implying a CAGR of ~9%. In FY 2025–26, domestic demand growth is estimated in the range of ~6%–8%, supported by normal monsoon conditions, increased crop intensity, and gradual adoption of modern crop protection practices. Growth will be driven by expanding domestic consumption, rising adoption of precision farming, drone spraying, biotechnology, and the increasing penetration of bio-based and sustainable crop protection chemicals. Adoption of drone-based spraying and precision application technologies has accelerated during FY 2025–26, particularly in states promoting mechanized and technology-enabled agriculture. Crop protection chemicals usage in India remains significantly below global averages—~0.27–0.6 kg per hectare, compared with the Asian average of 3.6 kg/ha and the global average of 2.4 kg/ha—highlighting vast untapped potential for yield optimization. This structural gap continues to present a significant long-term growth opportunity for the industry, particularly in high-value crops and intensive farming regions.

India's exports have grown at a ~9% CAGR between FY 2021–24. Herbicides lead this momentum, expanding at a 20–23% CAGR and increasing their share of total exports from 31% to 37%. In FY 2025–26, herbicides continue to remain a key export driver, supported by global demand for labor-saving solutions, particularly in developed markets facing labor shortages. Key destinations include the United States, Brazil, Japan, Vietnam, and Indonesia, which collectively account for a majority of outbound volumes. Export recovery trends vary across geographies, with Latin America and Southeast Asia showing relatively stronger demand revival compared to North America and Europe. Although exports fell sharply in FY 2024 due to global corrections, the long-term trajectory remains positive as supply chains stabilize and international demand revives. However, near-term export performance continues to be influenced by pricing pressures, currency fluctuations, and regulatory requirements in destination markets. Rising labor costs in overseas markets are also creating tailwinds for India's herbicide exports.

Policy support in FY 2025–26 continues to focus on strengthening domestic manufacturing capabilities, promoting sustainable inputs, and enhancing export competitiveness. Industry-academia collaborations are driving new molecule registrations and smart farming technologies, while digitization and e-commerce platforms are enhancing access to inputs for small and medium farmers. Regulatory

focus has also increased on faster approval of new molecules and promotion of safer chemistries, although timelines remain relatively extended. Furthermore, India's emphasis on digital agriculture, carbon-efficient R&D, and bio-based formulations positions the industry at the forefront of sustainable transformation. The increasing push toward biologicals and integrated pest management is reshaping product portfolios across the industry.

Despite strong fundamentals, challenges persist. These include regulatory complexity and long approval timelines for new products; raw material price volatility and logistics bottlenecks; and intense competition from low-cost Chinese imports. In FY 2025-26, input cost volatility has moderated compared to the previous year, although competitive pricing pressures remain high in export markets. Indian manufacturers are responding with cost efficiencies, product diversification, and export market realignment to sustain competitiveness. Strategic focus has shifted toward value-added formulations, contract manufacturing, and diversification into new geographies.

Indian Agrochemicals Sector – Snapshot:

Given the outlook, NACL Industries is poised to harness emerging opportunities while navigating persistent headwinds in the agri-input landscape. In FY 2025-26, the domestic retail business experienced relatively stable demand conditions, supported by improved monsoon distribution compared to the previous year, although regional variability continued to impact crop patterns. In FY 2025, the domestic retail business was impacted by erratic monsoons, uneven rainfall, and constrained cropping patterns, with prolonged dry spells and late-season swings tapering demand. The Company reinforced its farmer-centric approach through wider channel outreach and customized solutions. The Company continued to strengthen its distribution network and expand product reach through targeted farmer engagement and technology-led advisory initiatives. Exports too faced pressures from global oversupply, pricing challenges, and inventory imbalances, which weighed on performance. Export performance in FY 2025-26 showed gradual improvement, supported by normalization of channel inventories and selective demand recovery in key markets. Nonetheless, NACL's diversified presence and long-standing institutional relationships lent resilience in key international markets. Looking ahead, the Company remains committed to innovation-led growth, stronger farmer engagement, and resilient operations to address evolving domestic and global needs in crop protection. Strategic priorities include expanding product portfolio, enhancing backward integration, and aligning with global sustainability and regulatory standards.

Sources:

Rubix Data Sciences, ICRA Limited, Ministry of Agriculture & Farmers Welfare (Government of India), Press Information Bureau (PIB), Economic Survey 2025-26, Food and Agriculture Organization, World Bank, OECD, Reuters, AgroPages, Mordor Intelligence, Expert Market Research.

Product Sector Performance:

Herbicide:

In FY 2025-26, the herbicide segment witnessed steady demand recovery, with the Indian herbicides market estimated to grow at ~7%-9%, supported by increasing mechanization, labour shortages, and rising adoption in cereals and plantation crops. While the global herbicides market is expected to grow at a CAGR of ~5.1%, the Indian herbicides market is projected to expand at a faster pace of around ~8.1% CAGR. Rising food security concerns, declining arable land, and modern farming practices such as conservation tillage are driving adoption. Asia Pacific, led by India and China, remains a key growth hub supported by economic expansion, mechanization, and higher disposable incomes. Cereals and grains dominate demand, with rice and wheat as leading crops.

For NACL Industries, FY 2025 saw the launch of two key herbicide products—Dash for paddy and Carpet for wheat. However, erratic rainfall delayed sowing of kharif crops, narrowing weed-control windows and softening demand. In FY 2025-26, improved monsoon distribution supported relatively better sowing patterns, leading to stabilization in herbicide demand, particularly in rice and wheat segments. Continued product innovation and a focus on critical crop segments remain central to sustaining growth. The Company continues to focus on expanding its herbicide portfolio with precision-compatible and crop-specific solutions to address evolving farmer needs.

Fungicides:

In FY 2025-26, the fungicides segment demonstrated relatively stronger growth momentum, with the Indian market estimated to expand at ~9%-11%, driven by increased disease incidence linked to climatic variability and higher adoption in horticulture crops. While the global fungicides market is expected to grow at a CAGR of ~8.1%, the Indian fungicide market is projected to expand at a faster pace of around ~11% CAGR. Growth is driven by rising incidences of fungal diseases and climate variability, with Asia Pacific contributing the largest share due to extensive cultivation of cereals, fruits, and vegetables. Seed treatment and foliar applications lead usage, while systemic, contact, and biological fungicides play complementary roles. In FY 2025-26, demand from fruits, vegetables, and plantation crops has increased, reflecting higher focus on crop quality and export standards.

In India, cereals account for over 30% of fungicide demand, followed by oilseeds (~25%). The country's warm, humid climate makes crops highly vulnerable to fungal diseases like blast, blight, and mildew, strengthening the role of fungicides in agricultural productivity. Increasing awareness of preventive crop protection practices has also contributed to higher fungicide consumption.

NACL Industries' fungicide portfolio delivered resilient performance in FY 2025, supported by flagship brands such as Oscar, Index, and Sivic. The Company continued to deepen farmer engagement and provide technical support to enhance

product efficacy. In FY 2025-26, the Company maintained stable performance in this segment, supported by brand strength, expanded distribution, and targeted crop solutions. With innovation and strong brand equity, NACL remains well positioned in India's competitive fungicide market.

Insecticides:

In FY 2025-26, the insecticide segment experienced mixed demand trends, with overall growth estimated at ~6%-8%, influenced by pest intensity variations and cropping patterns across regions. While the global insecticides market is expected to grow at a CAGR of ~5.4%, the Indian insecticides market is projected to expand at a faster pace of around ~8.1%. The global insecticide market faced headwinds in FY 2025 due to unfavorable weather and lower acreage in key crops such as cotton and chilli. Despite these pressures, insecticides remain the largest crop protection segment in India, accounting for over 45% of the domestic market. In FY 2025-26, demand from cotton and chilli segments showed partial recovery, while fruits and vegetables emerged as key growth drivers.

During the year, reduced cotton planting and weak chilli prices curtailed demand. However, opportunities are emerging in fruits and vegetables, where farmers are increasingly adopting advanced pest management solutions to enhance yields and quality. Rising pest resistance and changing pest dynamics are also driving demand for newer, more effective molecules.

Despite sluggish market conditions, the Company strengthened its competitive position through innovation, farmer outreach, and tailored solutions. In FY 2025-26, the Company continued to focus on expanding its presence in high-value crop segments and improving product mix.

Plant Growth Regulators (PGRs) / Bio-stimulants:

In FY 2025-26, the PGR and bio-stimulant segment recorded strong growth momentum, with the Indian market estimated to expand at ~12%-15%, supported by increasing focus on crop quality, yield enhancement, and stress management. The global PGR market is projected to grow at ~10-12% CAGR and India PGR market is expected to grow at ~15% CAGR. Rising adoption of sustainable practices, demand for improved crop quality, and innovations in bio-based formulations are key drivers. In India, the PGR market growth is led by fruits, vegetables, cereals, and oilseeds, with government initiatives promoting sustainable inputs and residue-free farming. Adoption of bio-stimulants is accelerating as farmers seek solutions to mitigate abiotic stresses such as drought, heat, and soil degradation.

For NACL Industries, FY 2025 was marked by continued emphasis on innovation-led growth in this segment. Flagship brands such as Atonik and Gallant remain central to the portfolio, backed by regulatory approvals and farmer confidence. NACL strengthened R&D capacities and promoted next-generation PGRs and bio-stimulants aimed at mitigating abiotic stresses like heat and drought. In FY 2025-26, the Company continued to invest in product development and expand its presence in this high-growth segment.

With increasing demand for sustainable agriculture and consumer preference for high-quality produce, NACL's focus on integrated PGR and bio-stimulant solutions positions it strongly for long-term leadership. This segment is expected to play a critical role in future growth, given the shift toward sustainable and climate-resilient farming practices.

Segment-wise Snapshot:

Segment	Global Outlook (CAGR)	India Outlook (CAGR)
Crop Protection	~4-6%	~7-9%
Herbicides	~5-6%	~7-9%
Fungicides	~7-9%	~9-11%
Insecticides	~5-6%	~6-8%
PGRs / Bio-stimulants	~10-12%	~12-15%

Sources:

Ministry of Agriculture & Farmers Welfare (Government of India), Economic Survey 2025-26, Food and Agriculture Organization, World Bank, OECD, Technavio, Mordor Intelligence, Research and Markets, CARE Ratings, Reuters.

FY 2025-26 represents a transition phase for India's agrochemical industry, characterized by stabilization in export markets, steady domestic demand, and increasing alignment with sustainability and regulatory trends. Despite near-term challenges and a demanding operating environment, the sector's underlying strengths—cost-efficient manufacturing, a vast underpenetrated domestic market, supportive policy measures, and opportunities from upcoming patent expirations—position it for sustainable, innovation-led growth. Strategic emphasis on biologicals, precision-compatible products, regulatory alignment, and supply chain resilience will be critical for long-term value creation in the crop protection industry.

Sources:

Ministry of Agriculture & Farmers Welfare (Government of India), Economic Survey 2025-26, Food and Agriculture Organization, World Bank, OECD, Rubix Data Sciences, Mordor Intelligence, IMARC Group, Reuters.

Consolidated Financial Performance:

In FY 2025-26, the Company's financial performance reflects the ongoing transition in the agrochemical sector, with gradual stabilization in demand conditions and continued focus on cost optimization, working capital management, and portfolio realignment.

During the year FY 2025-26, the Revenue from Operations of the Company stood at ₹1,58,446 Lakhs, reflecting recovery/stability compared to the previous year, supported by normalization in export demand and steady domestic performance. The EBITDA stood at ₹10,563 Lakhs, indicating improvement compared to the previous year, depending on pricing environment, input costs, and product mix.

The financial performance of the Company for FY 2025–26 is summarized below:

(₹ in lakhs)

Particulars	2025-26	2024-25	2023-24
Revenue from Operations	1,58,446	1,23,452	1,77,873
EBITDA Margin	6.7%	-4.4%	1.4%
Profit before exceptional items, depreciation, tax (as % of revenue from operations)	3.7%	-9.7%	-2.8%
Return on Capital Employed	5.7%	-6.6%	0%
Return on Net Worth	0.7%	-21.6%	-11.5%
Earnings per share (FV ₹1 each)	0.21	-4.27	2.96
Book Value per share	29	21	26

Significant Changes in Financial Ratios:

The Company's financial ratios reflected a notable improvement during FY 2025–26, driven by higher revenues, improved operating performance, enhanced capital structure, and better utilization of resources. Revenue from operations increased to ₹1,58,446 Lakhs during the year from ₹1,23,452 Lakhs in the previous year, while the Company reported a profit after tax of ₹457 Lakhs as against a loss after tax of ₹9,213 Lakhs in FY 2024–25.

The Debtors Turnover Ratio improved during the year owing to better quality of sale and credit management practices. The Inventory Turnover Ratio improved, reflecting better inventory management, optimized stock levels, and improved sales realization. The Interest Coverage Ratio witnessed a significant improvement due to the Company's return to profitability and improved earnings before interest and taxes, coupled with a relatively stable finance cost structure.

The Current Ratio remained at a comfortable level, demonstrating the Company's ability to meet its short-term financial obligations. The Debt-Equity Ratio improved considerably during the year as a result of the strengthening of shareholders' funds through the successful rights issue and the profit earned during the year. The improvement in the Company's capital structure also contributed to a stronger balance sheet position.

The Operating Profit Margin improved compared to the previous year, driven by higher revenue, improved product mix, operational efficiencies, and focused cost management initiatives. Similarly, the Net Profit Margin recorded a substantial improvement and turned positive during the year, reflecting the Company's successful turnaround from a loss-making position in the previous financial year.

Return on Net Worth also improved significantly and turned positive during FY 2025–26 as compared to the previous year. The improvement was primarily attributable to the profit earned during the year, coupled with the strengthening of the Company's net worth following the rights issue and improved overall financial performance. The positive movement in Return on Net Worth reflects enhanced value creation for shareholders and improved returns on the capital employed in the business.

Financial Ratio	FY 2025-26	FY 2024-25	% Change
Debtors Turnover Ratio (Times)	3.57	2.21	61%
Inventory Turnover Ratio (Times)	4.19	3.15	33%
Debt Service Coverage Ratio (Times)	0.53	0.26	107%
Current Ratio (Times)	1.27	0.97	31%
Debt-Equity Ratio (Times)	0.44	0.93	-52%
EBITDA Margin (%)	6.7%	-4.4%	250.1%
Net Profit Margin (%)	0.3%	-7.5%	103.9%

The above ratios have been computed based on the audited consolidated financial statements of the Company for the respective financial years. Variations in the ratios are primarily attributable to changes in business volumes, profitability, working capital management, capital structure, and overall operating performance during the year under review.

Outlook and Strategic Path Forward:

In FY 2025–26, the agrochemical industry is witnessing gradual recovery from the correction phase, with improving global demand conditions, stabilization in inventory levels, and continued growth in domestic consumption.

The agrochemical industry is set for steady expansion, supported by rising global food demand, shrinking arable land, and the urgent need for higher agricultural productivity. Growth in the near to medium term is expected to be driven by recovery in exports, increased adoption of precision agriculture, and rising demand for sustainable crop protection solutions.

The outlook remains strong, as companies increasingly embrace bio-based and sustainable crop protection solutions, digital farming tools, and advanced formulations that improve efficiency while reducing environmental impact. There is also an increasing shift toward biologicals, integrated pest management, and precision-compatible products, driven by regulatory changes and sustainability imperatives.

Strategically, the path forward lies in enhancing R&D capabilities, deepening collaborations with agri-tech startups, and aligning portfolios with evolving regulatory frameworks that prioritize sustainability and climate resilience. For India, leveraging cost competitiveness, strengthening backward integration, and expanding into regulated markets will remain critical growth drivers.

Human Resources:

As of March 31, 2026, NACL Industries employed 1355 people and maintained a culture of strong industrial harmony.

During FY 2025–26, the Company continued to focus on strengthening organizational capabilities through targeted training programs, leadership development initiatives, and employee engagement practices.

The Company places high emphasis on employee development, offering extensive training programs and capability-building initiatives designed to strengthen both individual and team performance. By fostering continuous learning and professional growth, NACL ensures a motivated, skilled, and future-ready workforce.

Corporate Social Responsibility:

At NACL, community well-being is an integral part of our growth journey.

The Company continued to focus on initiatives that enhance quality of life in its operating regions, including:

- Provision of clean drinking water and sanitation facilities
- Support for education through scholarships, infrastructure, and community programs
- Healthcare and medical assistance initiatives for local communities
- Community development and safety initiatives in collaboration with local authorities

CSR interventions during the year remained aligned with sustainability, inclusivity, and long-term community impact objectives.

In the financial year 2025-26, the average net profits of the Company for the immediately preceding three financial years, resulted in a negative figure of ₹15.21 Lakhs. In view of the losses incurred during the year, the Company was not required to spend on Corporate Social Responsibility (CSR) activities under the applicable statutory provisions. Accordingly, no amount was spent towards CSR activities during the year..

QEHS (Quality, Environment, Health and Safety):

- 1) **Quality:** Quality remains integral to NACL's identity and operations. Supported by process-driven management systems, the Company upholds the highest international benchmarks across all stages of production.

During FY 2025–26, the Company continued to strengthen its quality systems through enhanced process controls, advanced analytical capabilities, and continuous improvement initiatives across manufacturing and R&D functions.

Technical plants, formulation facilities, and R&D centres continued to operate with robust quality frameworks supported by advanced laboratories and skilled professionals.

The Company maintained and further strengthened its accreditations and certifications, ensuring compliance with domestic and international quality standards.

- 2) **Environment:** Environmental responsibility is embedded across design, execution, and process management, reinforcing NACL's leadership in sustainable operations. Risks are proactively managed through robust methodologies such as HAZOP, EA&I, and HARA, ensuring the highest standards of environmental safety. The Company operates a pioneering Zero Liquid Discharge (ZLD) system with Distributed Control System (DCS) integration, enabling 100% wastewater recovery and reuse—a benchmark in the Indian agrochemical industry. Commitment to emission control is supported by multi-stage scrubbers, advanced monitoring tools including online pH and VOC meters, CEMS, and CAAQMS. Safety and resilience are further strengthened through secondary containment, bunding, dyke wall protection, and automated alarm systems integrated with the DCS. Stormwater management through conductivity-based reuse and in-house validation ensures water stewardship. Guided by the 5R philosophy—Refuse, Reduce, Reuse, Recycle, and Recover—the Company continues to minimize waste, eliminate/reduce effluent load instead of existing HTDS effluent in one product, reduce effluent load by up to 75% in others, and recover high-value salts for reuse and commercial sale, thereby driving both ecological sustainability and business value.

- 3) **Health:** Employee health and well-being are central to the EHS framework. Occupational Health Centres operating round the clock across sites provide immediate care, emergency response, and preventive consultation. Comprehensive medical check-ups, health surveillance, and early risk identification, particularly for chemical exposures, are complemented by wellness programs on fitness, mental health, ergonomics, and chronic disease prevention. Initiatives such as vaccination drives, yoga sessions, and health awareness campaigns foster a culture of holistic well-being. Alignment with ISO 45001:2018 standards further strengthened workplace safety, resilience, and employee engagement, positioning well-being as a cornerstone of organizational sustainability.
- 4) **Safety:** Safety is ingrained as a core organizational value. Facilities are equipped with state-of-the-art fire detection and prevention systems, structured Permit-to-Work mechanisms and comprehensive emergency preparedness plans to ensure continuous protection. Employee engagement is driven through initiatives such as Suraksha Sammelan, Suraksha Yojana, and the Safety Monthly Star program, fostering a culture of shared responsibility. Integration of Process Safety Management (PSM) with ICC's Responsible Care principles, along with advancement of Behaviour-Based Safety (BBS), has established a robust safety ecosystem that safeguards people, strengthens operational integrity, and reinforces stakeholder trust.

Internal Control Systems and their Adequacy:

NACL has established a comprehensive and resilient internal control framework designed to safeguard assets, ensure regulatory compliance, and enable swift resolution of

operational issues. The system is continuously monitored, strengthened, and adapted to evolving business needs and regulatory changes. Oversight is reinforced through rigorous reviews by the Audit Committee, which ensures that audit observations are addressed with timely corrective actions. Regular and transparent engagement with both internal and statutory auditors further enhance the efficiency, reliability, and integrity of our control environment, reflecting our commitment to strong governance and operational excellence.

Cautionary Statement:

In this Annual Report, we have disclosed forward-looking information to help investors understand our prospects and make informed investment decisions. This Report, along with other written and oral communications made by us periodically, contains forward-looking statements that reflect anticipated results based on management's plans and assumptions. Wherever possible, we have identified such statements using words such as "anticipates", "estimates", "expects", "projects", "intends", "plans", "believes", and words of similar substance in discussions of future performance. While we believe these assumptions are prudent, there is no assurance that the forward-looking statements will be realized. The achievement of results is inherently subject to risks, uncertainties, and potential inaccuracies in assumptions. Should known or unknown risks or uncertainties arise, or should underlying assumptions prove inaccurate, actual results may differ materially from those anticipated, estimated, or projected. Readers are therefore advised to bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future developments, or otherwise.

Corporate GOVERNANCE REPORT

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations), compliance with the requirements of Corporate Governance is set out below:

1. Company's Philosophy

NACL Industries Limited ("the Company" or "NACL"), which became a constituent of the Murugappa Group effective August 08, 2025, is dedicated to maintaining and strengthening the highest standards of corporate governance in all its operations and processes.

The Company looks at corporate governance as the cornerstone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. Apart from drawing on the various legal provisions, the Company practice is continuously benchmarked in terms of the best business practices. The entire process begins with the functioning of the Board of Directors ("Board"), with leading professionals and experts serving as Independent Directors and represented in various Board Committees. Systematic attempt is made to eliminate informational asymmetry between Executive and Non- Executive & Independent Director. NACL commitment to ethical and lawful business conduct is a fundamental value shared by the Board of Directors, the senior management and all other employees of the Company.

Key elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity, product and service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and set up adequate review processes to serve this purpose.

2. Board of Directors

- i. As on March 31, 2026, the Board of Directors of the Company had an optimum combination of Executive, Non-Executive and Independent Directors in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board comprised of Mr. Arun Alagappan, Chairman (Non-Executive Director), Dr. Raghuram Devarakonda, Managing Director &

Chief Executive Officer, Mr. Sankarasubramanian S, (Non-Executive Director), and Mr. Suresh Subramanian, Mr. B. Raghvendra Rao, Dr. Lakshmi Kantam Mannepilli and Mr. Sanjiv Lal, serving as the independent Directors on the Board. None of the Directors on the Board are inter-se related to each other.

- ii. All the Independent Directors of the Company are eminent professionals possessing extensive experience in their respective fields of expertise. The Independent Directors have been issued a formal letter of appointment, and the terms and conditions of their appointment have also been disclosed on the website of the Company. The Independent Directors have given declarations to the Company about their independence to enable the Board for determining its composition as envisaged in Regulation 17 of the Listing Regulations and further confirming compliance as per Section 149 of the Companies Act, 2013 ('Act') read with the Rules made thereunder. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. All material information is circulated to the Directors, including the information that is required to be made available to the Directors under Part A of Schedule II of the Listing Regulations.
- iii. Eight (8) Board Meetings were held during the financial year 2025-26 and the maximum gap between any of two consecutive meetings was not more than 120 days. The relevant details of the Board Meetings are given below follows:

Date of Board meeting	Board Strength	No. of Directors present
May 28, 2025	11	10
July 28, 2025	11	10
August 07, 2025	11	11
August 08, 2025	17	17
October 24, 2025	7	7
December 01, 2025	7	7
January 29, 2026	7	7
March 25, 2026	7	7

- iv. The details relating to attendance of each Director at the Board Meetings held during the year ended March 31, 2026, the last Annual General Meeting (AGM), and the number of Directorship, Membership and Chairmanship in Committees reckoned in line with Regulation 26 of Listing Regulations and the Act are given below:

Name of the Director	No. of Board meetings attended (No. of meetings held)	Attendance at last Annual General Meeting	No. of Directorships held including the Company* (out of which as Chairperson)	No. of Board Committee membership including the Company** (out of which as Chairperson)
Mr. Arun Alagappan [#]	4(4)	N.A.	3(2)	2(1)
Dr. Raghuram Devarakonda [^]	5(5)	Present	1(0)	2(0)
Mr. Sankarasubramanian S [^]	5(5)	Present	2(0)	2(0)
Mr. Suresh Subramanian [^]	5(5)	Present	4(0)	4(4)
Mr. B. Raghavendra Rao [^]	5(5)	Present	1(0)	6(4)
Dr. Lakshmi Kantam Mannepalli	8(8)	Present	3(0)	4(1)
Mr. Sanjiv Lal [^]	5(5)	Present	1(0)	0(0)
Mr. Natarajan Srinivasan [^]	1(1)	Present	4(1)	0(0)
Ms. K. Lakshmi Raju [§]	4(4)	N.A.	1(1)	1(0)
Mr. Sudhakar Kudva [§]	4(4)	N.A.	3(0)	5(2)
Mr. G. Veera Bhadram [§]	4(4)	N.A.	1(0)	1(0)
Mr. N. Sambasiva Rao [§]	4(4)	N.A.	4(0)	1(0)
Mr. Ramkrishna Mudholkar [§]	4(4)	N.A.	1(0)	0(0)
Ms. Veni Mocherla [§]	4(4)	N.A.	2(0)	0(0)
Mr. Raj Kaul [§]	2(4)	N.A.	2(0)	0(0)
Mr. Santanu Mukherjee [§]	4(4)	N.A.	7(0)	7(3)
Mr. Atul Churiwal [§]	4(4)	N.A.	1(0)	0(0)
Mr. Rajesh Kumar Agarwal [§]	4(4)	N.A.	1(0)	0(0)

*Excludes foreign companies, private limited companies (not being subsidiary or holding company of a public company), alternate Directorship and companies registered under Section 8 of the Companies Act, 2013.

** Includes only membership in Audit and Stakeholders' Relationship Committees of Public Limited Companies.

[§]ceased to be a director effective August 8, 2025.

[^] appointed as director effective August 8, 2025.

[#]appointed as director effective October 10, 2025.

- v. The details of the Listed Companies in which the Directors hold directorship as on March 31, 2026, and the category of Directorship are furnished below:

Name of the Director	Name of the listed company in which directorship held	Category
Mr. Arun Alagappan	Coromandel International Limited	Executive Chairman & Promoter
	NACL Industries limited	Chairman & Non-Executive Director
	Lakshmi Machine Works Limited	Non-Executive & Independent Director
Mr. Sankarasubramanian S	Coromandel International Limited	Managing Director & CEO
	NACL Industries limited	Non-Executive Director
Dr. Raghuram Devarakonda	NACL Industries Limited	Executive Director – Managing Director & CEO
Mr. Suresh Subramanian	NACL Industries Limited	Non-Executive & Independent Director
	Coromandel International Limited	Non-Executive & Independent Director
	Saksoft Limited	Non-Executive & Independent Director
Mr. B Raghavendra Rao	NACL Industries Limited	Non-Executive & Independent Director
Dr. Lakshmi Kantam Manepalli	NACL Industries Limited	Non-Executive & Independent Director
	Godavari Biorefineries Limited	Non-Executive & Independent Director
	Vinati Organics Limited	Non-Executive & Independent Director
Mr. Sanjiv Lal	NACL Industries Limited	Non-Executive & Independent Director

- vi. The brief profile of Directors, as given in the Annual Report, gives an insight into the education, expertise, skills and experience of the Directors. In terms of the requirement of the Listing Regulations, the Board has identified the following core skills/ expertise/ competencies of the Directors in the context of the Company's business and its effective functioning:

Name of Director	Risk Management	Regulatory and Governance	Corporate Strategy and Planning	Safety and Corporate	Human Resource and Communication	Science and Technology including IT	Industry Experience and Entire value chain	Finance	Geography and Cross cultural experience	General Management and Leadership Expertise
Mr. Arun Alagappan	√	√	√	√	√	√	√	√	√	√
Mr. Sankarasubramanian S	√	√	√	√	√	√	√	√	√	√
Dr. Raghuram Devarakonda	√	√	√	√	√	√	√	√	√	√
Mr. Suresh Subramanian	√	√	√	√	√	√	√	√	√	√
Mr. B Raghvendra Rao	√	√	√	√	√	√	√	√	√	√
Dr. Lakshmi Kantam Mannepalli	√	√	√	√	√	√	√	√	√	√
Mr. Sanjiv Lal	√	√	√	√	√	√	√	√	√	√

- vii. A meeting of the Independent Directors, chaired by Mr. Santanu Mukherjee, was held on July 28, 2025, and attended by all the Independent Directors. During the meeting, the Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors, the Board as a whole, and the Chairman of the Company. The Board was subsequently appraised of the deliberations of the said meeting. For the financial year 2025-26, a separate meeting of the Independent Directors is scheduled to be held on May 4, 2026, to inter alia, evaluate the performance of the Board as a whole.

and other stakeholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. During such evaluation, the Director whose performance was evaluated was not present at the meeting. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

- viii. The details of the Familiarization Program imparted to the Independent Directors of the Company are available on website of the Company at <https://naclind.com/wp-content/uploads/2023/02/Familiarisation-Programme-for-Independent-Directors.pdf>.

- x. None of the Executive Directors of the Company has served or Serves as Independent Director in more than three listed Companies. None of the Independent Directors of the Company has served or serve as an Independent Director in more than seven listed companies. None of the Directors of the Company was a member of more than ten public Companies, ten board level committees or a chairperson of more than five such committees across all companies, in which he/she was a director.

- ix. Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board carried out the annual evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and CSR Committee. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgments safeguarding the interest of the Company

- xi. The Company has received the requisite declarations from its Independent Directors confirming that they meet the criteria of independence prescribed both under the Act and the Listing Regulations. The Board at its meeting held on May 04, 2026 has taken on record the declarations received from the Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the Management.

- xii. The Board of Directors has laid down a 'Code of Conduct' (Code) for all the Board Members and the senior management personnel of the Company, and this Code is posted on the Website of the Company. Annual declaration is obtained from the senior management personnel. In terms of Schedule V to the Listing Regulations, a declaration signed by Executive Director is enclosed to this report as **Annexure D(i)**.

- xiii. A certificate from M/s. Sridharan & Sridharan Associates, Company Secretaries certifying that none of the directors on the Board of the company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and certificate is - annexed to this report as **Annexure D(ii)**.
- xiv. As per the provisions of Section 152 of the Act, Mr. Sankarasubramanian S, Non- Executive & Independent Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. His brief profile along with the additional information required as per Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2 is given as annexure to the notice of Annual General Meeting.

3. Audit Committee

- i. The terms of reference of the Audit Committee are in accordance with and cover all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations and, *inter-alia*, include:
 - Overseeing the financial reporting process and disclosure of financial information.
 - Recommending the appointment / re-appointment of statutory auditors and fixation of audit fee.
 - Review of financial statements before submission to the Board.
 - Review of adequacy of internal control system, findings of internal audit, whistle blower mechanism, related party transactions, scrutiny of intercorporate loans & investments.
 - Approval and review of related party transactions.
 - Valuation of assets/undertakings of the Company and appointment of registered valuers
 - Reviewing the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, etc., and
 - Reviewing the financial statements of unlisted subsidiary companies and, in particular, the investments made by them.
- ii. The Audit Committee Comprises of three (3) directors as its members including two (2) Independent Directors. The Company Secretary is the Secretary of the Committee. Mr. N Shankar, Chief Financial Officer & Chief Risk Officer, along with the Internal Auditors and Statutory Auditors, are invitees to the Audit Committee meetings. Cost Auditors are invited to the meeting as and when required.
- iii. During the year, Nine (9) meetings of the Committee were held on May 27, 2025, as well July 28, 2025, August 07, 2025, August 08, 2025, October 24, 2025, December 01, 2025, January 28, 2026, and March 25, 2026. The

maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings. The composition of the Audit Committee and details of attendance of the members during the financial year 2025-26 are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
*Mr. Suresh Subramanian (Chairman)	Non-Executive & Independent	5(5)
*Mr. B Raghvendra Rao (Member)	Non-Executive & Independent	5(5)
*Dr. Raghuram Devarakonda (Member)	Managing Director & CEO	5(5)
**Mr. Santanu Mukherjee (Chairman)	Non-Executive & Independent	4(4)
**Mr. Sudhakar Kudva (Member)	Non-Executive & Independent	4(4)
**Mr. N. Sambasiva Rao (Member)	Non-Executive & Independent	4(4)

*Appointed as a member effective August 8, 2025

** Ceased as a member effective August 8, 2025

4. Nomination & Remuneration Committee

- i. The terms of reference of the Nomination & Remuneration Committee are in accordance with and cover all the matters specified under Section 178 of the Act and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulation, and, *inter alia*, include:
 - To formulate the criteria for appointment of Directors/Senior Management including determining qualifications, positive attributes, and independence of Directors.
 - Recommend the remuneration and periodic increments of the Managing/Whole-time Director(s) and determine the annual incentive of the Managing/Whole-time Director(s).
 - Formulate, implement, administer, and superintend the Employee Stock Option Plan/Scheme(s) of the Company.
 - Devise policy on Board diversity.
 - Formulate criteria for evaluation of Independent Directors/Board.
 - Recommend the Remuneration policy to the Board.
 - Recommend to the Board, all remuneration in whatever form, payable to the Senior Management etc.
- ii. During the year, six (6) meetings of the Nomination & Remuneration Committee were held on July 11, 2025, August 08, 2025, August 08, 2025, October 24, 2025,

December 01, 2025 & March 25, 2026. The composition of the Nomination & Remuneration Committee and details of attendance of the members during the financial year 2025-26 are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
*Mr. Suresh Subramanian (Chairman)	Non-Executive & Independent	4(4)
*Mr. B Raghvendra Rao (Member)	Non-Executive & Independent	4(4)
***Mr. Arun Alagappan (Member)	Non-Executive Director	3(3)
****Mr. Natarajan Srinivasan (Member)	Non-Executive Director	1(1)
**Mr. Santanu Mukherjee (Chairman)	Non-Executive & Independent	2(2)
**Mr. Sudhakar Kudva (Member)	Non-Executive & Independent	2(2)
** Mrs. K Lakshmi Raju (Member)	Non-Executive Director	2(2)

*Appointed as a member effective August 8, 2025

** Ceased as a member effective August 8, 2025

*** Appointed as a member effective October 10, 2025

****Ceased as a member effective October 14, 2025

5. Stakeholders Relationship Committee

- i. The terms of reference of the Stakeholders Relationship Committee are in accordance with and cover all the matters specified under Section 178 of the Act and Regulation 20 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations, and *inter-alia* include:
 - Formulation of investor servicing policies.
 - Review and redressal of investor complaints.
 - Approval/overseeing of transfers, transmissions, transpositions, splitting, consolidation of securities, issue of new / duplicate certificates, demat/remat requests, administering the unclaimed shares suspense account.
 - Allotment of shares on exercise of Options by employees under the Employees Stock Option Scheme/Plan; and
 - Performing other functions as delegated to it by the Board from time to time.
- ii. During the year, One (1) meeting of Stakeholders Relationship Committee was held on March 25, 2026. The

composition of the Stakeholders Relationship Committee and details of attendance of the members at such meeting are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
*Mr. B Raghvendra Rao (Chairman)	Non-Executive & Independent	1(1)
*Dr. Raghuram Devarakonda (Member)	Executive Director	1(1)
*Mr. Sankarasubramanian S (Member)	Non-Executive Director	1(1)
**Mr. Sudhakar Kudva (Chairman)	Non-Executive & Independent	0(0)
**Mrs. K. Lakshmi Raju (Member)	Non-Executive Director	0(0)
**Mr. G V Bhadram (Member)	Whole Time Director	0(0)

*Appointed as a member effective August 8, 2025

** Ceased as a member effective August 8, 2025

- iii. Company Secretary acts as secretary of the Committee.
 - iv. During the year, the Company received 4 complaints from the shareholders and all of them were resolved satisfactorily. There were no complaints pending at the end of the financial year.
 - v. To facilitate faster redressal of investors' grievances the Company has created an exclusive e-mail id Investors@naclind.com. Shareholders may lodge their query/complaints addressed to this e-mail id of the Company or to RTA e-mail id ccare@xlsofttech.com.
- ### 6. Risk Management Committee
- i. The terms of reference of the Risk Management Committee are in accordance with and cover all the matters specified in Regulation 21 of the Listing Regulations and *inter alia*, include:
 - To review and evaluate management's identification of all major Risks to the business and cyber security.
 - To assess the adequacy of management's Risk Assessment, its plans for Risk control or mitigation.
 - To review, assess and discuss with the Management.
 - (i) any significant risks or exposures.
 - (ii) the steps management has taken to minimize such risks or exposures.
 - To review and approve/amend from time to time the Company's underlying policies with respect to risk assessment and risk management.

- ii. During the year, three (3) meetings of Risk Management Committee was held on April 16, 2025, May 26, 2025 and December 15, 2025. The composition of the Risk Management Committee and details of attendance of the members at such meetings are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
Mr. Sanjiv Lal (Chairman)	Non-Executive & Independent	1(1)
Mr. Lakshmi Kantam Mannepalli (Member)	Non-Executive & Independent	1(1)
Dr. Raghuram Devarakonda, (Member)	Managing Director & CEO	1(1)
Mr. Sudhakar Kudva (Chairman)	Non-Executive & Independent	2(2)
Mr. Harish Chandra Bijlwan (Member)	Senior Executive	2(2)
Mr. G V Bhadram (Member)	Whole time Director	2(2)

*Appointed as a member effective August 8, 2025

** Ceased as a member effective August 8, 2025

7. Corporate Social Responsibility & Sustainability Committee

- i. The terms of reference of the Corporate Social Responsibility are in accordance with and cover all the matters specified in Section 135 of Act and inter alia, include:

- Formulate and recommend to the Board, Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII, and the business responsibility and sustainability policies of the Company;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy, the business responsibility and sustainability policies of the company from time to time".

- ii. During the year, one (1) meeting of Corporate Social Responsibility & Sustainability Committee was held on May 26, 2025. The composition of the Corporate Social Responsibility & Sustainability Committee and details of attendance of the members at such meeting are given as follows

Name and Designation	Category	No. of meetings attended (No. of meetings held)
***Mr. Arun Alagappan, (Chairman)	Non-Executive Director	0(0)
*Dr. Raghuram Devarakonda (Member)	Managing Director & CEO	0(0)
*Mr. Sanjiv Lal (Member)	Non-Executive & Independent	0(0)
****Mr. Natarajan Srinivasan (Member)	Non-Executive Director	0(0)
**Mr. Sudhakar Kudva (Chairman)	Non-Executive & Independent	1(1)
**Mrs. K.Lakshmi Raju (Member)	Non-Executive & Non-Independent	0(1)
**Mr. G V Bhadram (Member)	Whole time Director	1(1)
**Ms. Veni Mocherla (Member)	Non-Executive & Independent	1(1)

*Appointed as a member effective August 8, 2025

** Ceased as a member effective August 8, 2025

*** Appointed as a member effective October 10, 2025

****Ceased as a member effective October 14, 2025

8. Banking Committee

The terms of reference of the Banking Committee, inter alia, include:

- Review and recommend to the Board proposals relating to the opening, continuation, and closure of bank accounts, including authorization for opening new bank accounts and closing the existing bank accounts as required for business operations.
- Grant authorization for signing, execution, and submission of all documents, agreements, applications, and undertakings in relation to working capital facilities, term loans, trade finance facilities, and other banking arrangements, subject to the aggregate borrowing limit of ₹800 Crores approved by the Board at its meeting held on May 12, 2022.
- Authorize and approve the creation, modification, substitution, or release of charge, lien, pledge, hypothecation, or mortgage, including by deposit of title deeds or otherwise, on the assets (movable and/or immovable, present and future) of the Company, for securing the fund-based and non-fund-based credit facilities availed or to be availed from banks, financial institutions, or other lenders,

within the overall aggregate borrowing limit of ₹800 Crores approved by the Board, and subject to applicable laws and statutory filings.

During the year, four (4) meeting of Banking Committee were held on May 09, 2025, May 28, 2025, November 06, 2025 and December 18, 2025. The composition of the Banking Committee and details of attendance of the members at such meeting are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
***Mr. Arun Alagappan, (Chairman)	Non-Executive Director	2(2)
*Dr. Raghuram Devarakonda (Member)	Managing Director & CEO	2(2)
*Mr. Sankarasubramanian S (Member)	Non-Executive & Independent	2(2)
****Mr. Natarajan Srinivasan (Member)	Non-Executive Director	0(0)
**Mr. Santanu Mukherjee	Non-Executive & Independent	2(2)
**Mr. Sudhakar Kudva	Non-Executive & Non-Independent	2(2)
**Mr. G V Bhadram	Whole time Director	2(2)
**Mrs. K.Lakshmi Raju	Non-Executive Director	2(2)

*Appointed as a member effective August 8, 2025

** Ceased as a member effective August 8, 2025

*** Appointed as a member effective October 10, 2025

****Ceased as a member effective October 14, 2025

9. Remuneration to Directors

i. Managing Director & Chief Executive Officer

The compensation of the Managing Director & CEO comprises of fixed components and a performance incentive/commission. The compensation is determined based on various parameters including industry benchmarks. The performance incentive/commission is determined as per the pre-agreed performance parameters.

The New Chairman, Managing Director & CEO and Executive Directors are not paid any sitting fees for any Board/ Committee meetings attended by them.

ii. Non-Executive Directors

The compensation of the Non-Executive Directors is in the form of commission paid out of profits. Though the shareholders have approved payment of commission upto 1% of net profits of the Company for each year calculated as per the provisions of Sections 197, 198 and all other applicable provisions of the Act and the rules made thereunder, the commission paid to the Directors is usually restricted to a fixed sum, which is which is currently ₹ 2.5 lacs and well within the aforesaid limits. The Non-Executive Directors are also paid sitting fees as permitted under the relevant statutory provisions for every Board/ Committee meeting attended by them.

The sitting fees and commission is reviewed periodically taking into consideration various factors such as performance of the Company, time spent by the directors for attending to the affairs and business of the Company and extent of responsibilities cast on directors under general law and other relevant factors.

There were no pecuniary transactions with any of the Non-Executive & Independent Director except for payment of Sitting Fees and Commission and reimbursement of out of pocket expenses if any. The nominee Directors representing Coromandel International Limited (the Holding Company) and the Executive Directors of the Company are not paid any sitting fees in line with the Group's governance practices and the waiver given by them voluntarily.

iii. Shareholdings

The details of Shareholdings of the Non-Executive Directors in the Company as on March 31, 2026, are as follows:

Name	No. of Shares
Mr. Arun Alagappan	Nil
Mr. Sankarasubramanian S	Nil
Mr. Suresh Subramanian	Nil
Mr. B Raghvendra Rao	Nil
Dr. Lakshmi Kantam Mannepalli	Nil
Mr. Sanjiv Lal	Nil

iv. Details of remuneration paid to the Directors for the year:

a. Mr. Arun Alagappan, Chairman

Mr. Arun Alagappan was appointed as the Chairman of the Company on October 10, 2025. The Company has not paid any compensation, including sitting fees, for attending Board or Committee Meetings during the financial year ended March 31, 2026.

b. Dr. Raghuram Devarakonda, Managing Director & Chief Executive Officer

The details of remuneration paid/payable to Dr. Raghuram Devarakonda, Managing Director & Chief

Executive Officer for the period August 08, 2025 to March 31, 2026, are as follows:

Particulars	(₹ in lakhs)
Salary & Incentives	1,44,89,662
Contribution to Funds	29,77,441
Value of Perk & Allowances	44,32,897
Total	2,19,00,000

Dr. Raghuram Devarakonda was appointed as Managing Director & Chief Executive Officer of the Company for a period of three years from August 08, 2025, to August 07, 2028.

c. Mr. Sankarasubramanian S, Non - Executive Director

Mr. Sankarasubramanian S. was appointed as a Non-Executive Director of the Company on August 08, 2025. The Company has not paid any compensation, including sitting fees, to Mr. Sankarasubramanian S for attending Board or Committee Meetings during the financial year ended March 31, 2026.

d. Non-Executive Directors

The details of sitting fees paid and commission payable to Non-Executive Directors for the financial year ended March 31, 2026, are as under:

(₹ in Lakhs)			
Non-Executive Directors	Sitting Fees [®]	Commission [®]	Total
Mr. Suresh Subramanian@	7,05,000	1,61,643	8,66,643
Mr. B. Raghavendra Rao@	6,55,000	1,61,643	8,16,643
Dr. Lakshmi Kantam Mannepilli	4,05,000	2,50,000	6,55,000
Mr. Sanjiv Lal	2,75,000	1,61,643	4,36,643
Mr. Natarajan Srinivasan	40,000	-	40,000
Ms. K. Lakshmi Raju	1,50,000	-	1,50,000
Mr. Sudhakar Kudva	2,35,000	-	2,35,000
Mr. Santanu Mukherjee	2,15,000	-	2,15,000
Mr. N. Sambasiva Rao	1,75,000	-	1,75,000
Mr. Ramkrishna Mudholkar	1,30,000	-	1,30,000
Ms. Veni Mocherla	1,40,000	-	1,40,000
Mr. Raj Kaul	75,706	-	75,706
Mr. Rajesh Kumar Agarwal	1,00,000	-	1,00,000
Mr. Atul Churiwal	1,00,000	-	1,00,000

[®]Payment of commission proportionate to the tenure of Directors for FY 2025-26

10. Annual General Meetings

During the year, the Company conducted its 38th General Meeting through video conferencing / other audio-visual means on September, 19, 2025, in accordance with the circulars and notifications issued by the MCA and SEBI. All the Directors, Key Managerial Personnel, Statutory Auditors and Scrutinizer joined the AGM through video conferencing. The Chairmen of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee attended the meeting.

11. Disclosures

i. CEO and CFO Certification

The Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations.

ii. Related Party Transactions

There were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. Prior omnibus approval of the Audit Committee was obtained for the transactions which were foreseen and repetitive in nature. The related party transactions are reviewed by an independent audit firm to confirm that they are in the ordinary course of business and at arm's length basis. A statement of related party transactions is placed before the Audit Committee on quarterly basis. Transactions with the related parties as required under Indian Accounting Standard (Ind AS) – 24 on, Related Party Transactions, are disclosed under notes to the financial statements, forming part of this Annual Report.

The Policy on Related Party Transactions is available on website of the Company at <https://naclind.com/investor-relations/investor-information/policies/>

iii. Compliance

The Board reviews at periodic intervals the certificate(s) confirming compliance with all Laws and Regulations as certified by the Managing Director & Chief Executive Officer, Chief Financial Officer and the Company Secretary. The Board also considers material Show Cause and Demand Notices received from Statutory Authorities and the actions taken by the Company in this regard. The Board reviews the compliance of all the applicable Laws and gives appropriate directions wherever necessary.

iv. Strictures/Penalty

There were no strictures or penalties imposed on the Company by either Stock Exchanges or Securities and Exchange Board of India or any statutory authority for any

non-compliance relating to capital markets during the past three years, except for the following penalties:

S. No.	Particulars	Penalty
1.	The Company has not complied with Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) which requires prior intimation of Board Meetings to the Stock Exchanges at least two working days in advance (excluding the date of intimation and the date of the meeting). In respect of the Board Meeting held on October 24, 2025, the intimation was given on October 20, 2025, whereas October 21 and October 22, 2025 were trading holidays, resulting in non-compliance.	A penalty of ₹10,000 was imposed for delay in filing the Board Meeting intimation under Regulation 29 of the LODR, which was paid by the Company to the stock exchanges.
2.	BSE Limited observed non-compliance Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the timely submission of Related Party Transactions in the prescribed format along with the financial results. Although the Integrated Filing (Financials – XBRL together with Related Party transactions). For Q2 FY 2025–26 was duly submitted with NSE within the stipulated timeline, a separate filing with BSE Limited was inadvertently not made within the due date due to misinterpretation of the single-window / integrated filing framework. The disclosure was subsequently submitted to BSE Limited on November 05, 2025, as against the due date of October 28, 2025, resulting in a delay of seven days.	Penalty of ₹55,000 was by BSE Limited for delay in the submission of the disclosure on Related Party Transactions which was paid by the Company.
3.	In terms of Regulation 33 of the SEBI Listing Regulations, annual audited financial results FY 2024-25 required to be submitted within sixty days from the end of the financial year. However, the submission was made with a delay of seven days, resulting in non-compliance with the prescribed timeline under Regulation 33.	Penalty of ₹41,300 was remitted by the Company to each of the Stock Exchanges in respect of this non-compliance.

v. Vigil Mechanism

The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it and also for appointment of an Ombudsman who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairman of the Audit Committee. During the year, no employee was denied access to Chairman of the Audit Committee.

vi. Details of compliance with mandatory requirements and adoption of Discretionary Requirement

The Company has complied with the mandatory requirements of the Corporate Governance norms as per Listing Regulations during the financial year ended March 31, 2026. The Company has complied with the disclosure requirements of sub-paras (2) to (10) of Schedule V of the Listing Regulations. Pursuant to Schedule V of the Listing Regulations, the Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report as **Annexure D(iii)**.

With regard to the non-mandatory requirements the Company has complied to the extent stated below:

Shareholder Rights	Quarterly financial results are published in leading newspapers, viz. The Business Standard (all India editions - English) and vernacular – Andhra Prabha (Hyderabad Edition - Telugu). The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
Modified opinion(s) in audit report	All the financial statements received during the last five (5) years were with unmodified audit opinion except for the Financial Year 2023-24.
Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	The Company has a separate post of Chairman. The Chairman is a non-executive director and is not related to Managing Director or the Chief Executive as per the definition of the term "relative" defined under the Act.
Other Discretionary Requirements	At present, other discretionary requirements have not been adopted by the Company.

vii. Subsidiary Companies

The Company does not have any material unlisted Indian subsidiary in terms of Regulation 24 of the Listing Regulations. The Minutes of the Meetings of Board of Directors of all the subsidiary companies are periodically placed before the Board of Directors of the Company. The Policy on Material Subsidiary is available on the website of the Company at <https://naclind.com/investor-relations/investor-information/policies/>

viii. Risk Management

The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up. The Risk Management Committee, constituted by the Board is empowered to monitor the Risk management and their mitigation processes.

ix. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

During the year under review, no funds were raised through preferential allotment or qualified institutions placement. However, the Company raised funds aggregating to ₹24,928.92 Lakhs through Rights Issue.

x. Compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'):

The Company has complied with all the relevant corporate governance requirements stipulated in the Listing Regulations.

xi. Details of recommendation of any committee of the Board which are not accepted by the Board

There was no instance of any non-acceptance by the Board of Directors of the recommendations of any Committee of the Board, during the financial year under review.

xii. Details of total fees for all services paid/payable by the Company and its Subsidiaries, on consolidated basis to Statutory Auditors of the Company and all their network firms/entities during the financial year 2025-26 are furnished below:

Particulars	Amount (₹ in Lakhs)
Fees for audit and related services paid to M/s. S R Batliboi & Associates LLP and all their network firms/entities	77
Fees for non-audit services paid to network firms/entities of M/s. S R Batliboi & Associates LLP	0

xiii. There are no loans and advances in the nature of loans given by the Company and its subsidiaries to firms/ companies in which directors are interested during the financial year 2025-26.

xiv. Disclosure of complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Particulars	FY 2025-26
No. of cases pending as at beginning of the financial year	NIL
No. of complaints on sexual harassments received during the year	
No. of complaint disposed off during the year	
No. of cases pending as at end of the financial year	

12. Management Discussion and Analysis

Management Discussion & Analysis is annexed to the Directors' Report which forms part of this Annual Report.

13. Disclosure of certain types of agreements binding listed entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

14. General Shareholder Information

A separate section has been annexed to the Annual Report furnishing various details viz., the previous annual general meeting, time, and venue thereof, share price movement, distribution of shareholding, location of factories, means of communication etc., for shareholders' reference.

On behalf of the Board of Directors

Dr. Raghuram Devarakonda

Managing Director & CEO
DIN: 09749805

Sankarasubramanian S

Director
DIN: 01592772

Place: Hyderabad
Date: May 04, 2026

General Shareholders Information

1. Contact Information and Plant Location(s)

Registered office and Address for correspondence	NACL Industries Limited Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad - 500 003, Telangana, India 17 th Floor, Pranava One Hyderabad, Commercial Block, Plot No.s. 6-3-654/1 to 9 and 6-3-654/A, Somajiguda, Hyderabad, Telangana – 500082, India, Tel. No. +91 40 2440 5100
Corporate Identification Number	L24219TG1986PLC016607
Website	www.naclind.com
E-mail id	cs-nacl@nacl.murugappa.com
Plant Location(s)	The Company's plants are located at a. Plot No. 177, Arinama Akkivalasa, Etcherla Mandal, Srikakulam District PIN - 532403, Andhra Pradesh. b. Unit-I & Unit -II Ethakota (Vi), Ravulapalem (Mandal), Dr. BR. Ambedkar Konaseema (Dist) Andhra Pradesh 533238. c. Nandigaon (Vi) & (Mandal), Rangareddy District, Telangana, India 509228.

2. Compliance officer under Listing Regulations and Nodal Officer under The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

Mr. Rajesh Mukhija
Company Secretary & Compliance Officer/Nodal Officer
Tel. No. +91 40 2440 5100
E-mail id: investors@nacl.murugappa.com

3. Annual General Meeting (AGM), Dividend and related information

Day and Date	Wednesday, July 22, 2026
Time	03:30 P.M.
Venue of AGM	Video Conferencing/ Other Audio Visual Means
Dividend for FY 2025-26	NIL

4. Financial Calendar

The financial year of the Company is the period ending on 31st day of March every year. The tentative calendar for Board meetings for approving the quarterly financial results is given below:

Results for the quarter ending June 30, 2026	Within 45 days from end of quarter
Results for the quarter and half year ending September 30, 2026	Within 45 days from end of quarter
Results for the quarter and nine months year ending December 31, 2026	Within 45 days from end of quarter
Results for the quarter and financial year ended March 31, 2027	Within 60 days from end of quarter.

5. Listing on stock exchanges and Stock Code

Details of the stock exchange	Stock/Scrip code
The National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block – G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	NACLIND
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	524709

The listing fees for the financial year 2025-26 has been paid to both the above Stock Exchanges.

6. International Securities Identification Number (ISIN)

ISIN is unique identification number of a traded scrip. This number must be quoted in each transaction relating to the dematerialized securities of the company. The ISIN of equity shares of ₹1 each of the Company is INE295D01020.

7. Last three Annual General Meeting(s)

The details of date and time and venue and special resolution passed at the last three Annual General Meetings are given below:

For the financial year	Venue	Day, Date and time	Special Resolution(s) passed
2024-25	Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	Friday, September 19, 2025, at 10:00 a.m.	Nil
2023-24	Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	Wednesday, September 25, 2024, at 10:00 a.m.	<ul style="list-style-type: none"> Approval for payment of advisory fee to Mr. Raj Kaul, Non-Executive Non-Independent Director exceeding fifty percent (50%) of the total remuneration payable to all the Non-Executive Directors.
2022-23	Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	Friday, September 22, 2023, at 10:00 a.m. IST	<ul style="list-style-type: none"> Approval for payment of advisory fee to Mr. Raj Kaul, Non-Executive Non-Independent Director. Approval for payment of consultancy fees to Mr. Chantati Varada Rajulu, Non-Executive and Non-Independent Director. Appointment of Mr. Santanu Mukherjee as an Independent Director of the Company.

8. Postal Ballot during last three years:

For the Financial Year 2025-26

A. The postal ballot was conducted in the month of May 2025, to approve the following:

- To approve the appointment of Mr. Veera Bhadrani Garimella (DIN:00114611) as a Director of the Company.
- To approve the appointment of Mr. Garimella Veera Bhadrani (DIN: 00114611) as a Whole-Time Director of the Company.

The remote e-voting details on the above postal ballot were as follows:

- To approve the appointment of Mr. Veera Bhadrani Garimella (DIN:00114611) as a Director of the Company. :

Particulars	No.	%
Votes cast in favour	11,61,21,934	99.9903
Votes cast against	11,219	0.00097
Total Valid votes	11,61,33,153	100
Invalid Votes	-	-

- To approve the appointment of Mr. Garimella Veera Bhadrani (DIN: 00114611) as a Whole-Time Director of the Company.

Particulars	No.	%
Votes cast in favour	11,61,21,938	99.9903
Votes cast against	11,214	0.00097
Total Valid votes	11,61,33,152	100
Invalid Votes	-	-

The shareholders approved the above said resolutions with requisite majority on June 08, 2025, and the results were declared on June 09, 2025.

The postal ballot was conducted, as per the procedure laid down in Section 108 and 110 of the Act, the rules made thereunder read with Circulars issued by Ministry of Corporate Affairs.

Mr. S. Srikanth (ICSI Membership No: A22119 & CP No.7999) of M/s. B S S & Associates, Practicing Company Secretaries was appointed as Scrutinizer for conducting voting through remote e-voting, in a fair and transparent manner.

B. The postal ballot was conducted in the month of August 2025, to approve the following:

- To approve the appointment of Mr. Natarajan Srinivasan (DIN: 00123338) as a Director of the Company.
- To approve the appointment of Mr. S Sankarasubramanian (DIN: 01592772) as a Director of the Company.
- To approve the appointment of Dr. Raghuram Devarakonda (DIN: 09749805) as a Director of the Company.
- To approve the appointment of Dr. Raghuram Devarakonda (DIN- 09749805) as Managing Director & Chief Executive Officer of the Company and the remuneration payable to him.
- To approve the appointment of Mr. Suresh Subramanian (DIN: 02070440) as Non-executive Independent Director of the Company.
- To approve the appointment of Mr. B Raghvendra Rao (DIN: 08508501) as Non-executive Independent Director of the Company.
- To approve the appointment of Mr. Sanjiv Lal (DIN: 08376952) as Non-executive Independent Director of the Company.
- To approve the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Reg. No. 101049W/E300004) as Statutory Auditors of the Company and to fix their Remuneration.
- Amendments to Articles of Association of the Company.

The remote e-voting details on the above postal ballot were as follows:

- To approve the appointment of Mr. Natarajan Srinivasan (DIN: 00123338) as a Director of the Company.

Particulars	No.	%
Votes cast in favour	11,45,24,203	99.98
Votes cast against	19,810	0.02
Total Valid votes	11,45,24,203	100
Invalid Votes	-	-

- To approve the appointment of Mr. S Sankarasubramanian (DIN: 01592772) as a Director of the Company.

Particulars	No.	%
Votes cast in favour	14,63,95,509	99.998
Votes cast against	2,482	0.002
Total Valid votes	14,63,95,509	100
Invalid Votes	-	-

- To approve the appointment of Dr. Raghuram Devarakonda (DIN: 09749805) as a Director of the Company.

Particulars	No.	%
Votes cast in favour	14,63,95,311	99.998
Votes cast against	2,681	0.002
Total Valid votes	14,63,95,311	100
Invalid Votes	-	-

- To approve the appointment of Dr. Raghuram Devarakonda (DIN- 09749805) as Managing Director & Chief Executive Officer of the Company and the remuneration payable to him.

Particulars	No.	%
Votes cast in favour	14,63,95,229	99.998
Votes cast against	2,763	0.002
Total Valid votes	14,63,95,229	100
Invalid Votes	-	-

5. To approve the appointment of Mr. Suresh Subramanian (DIN: 02070440) as Non-executive Independent Director of the Company.

Particulars	No.	%
Votes cast in favour	14,63,95,485	99.998
Votes cast against	2,507	0.02
Total Valid votes	14,63,95,485	100
Invalid Votes	-	-

6. To approve the appointment of Mr. B Raghvendra Rao (DIN: 08508501) as Non-executive Independent Director of the Company.

Particulars	No.	%
Votes cast in favour	14,63,95,510	99.998
Votes cast against	2,481	0.002
Total Valid votes	14,63,95,510	100
Invalid Votes	-	-

7. To approve the appointment of Mr. Sanjiv Lal (DIN: 08376952) as Non-executive Independent Director of the Company.

Particulars	No.	%
Votes cast in favour	14,63,95,481	99.998
Votes cast against	2,510	0.002
Total Valid votes	14,63,95,481	100
Invalid Votes	-	-

8. To approve the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Reg. No. 101049W/E300004) as Statutory Auditors of the Company and to fix their Remuneration

Particulars	No.	%
Votes cast in favour	14,63,95,191	99.998
Votes cast against	2,761	0.002
Total Valid votes	14,63,95,191	100
Invalid Votes	-	-

9. Amendments to Articles of Association of the Company

Particulars	No.	%
Votes cast in favour	14,63,95,769	99.998
Votes cast against	2,223	0.002
Total Valid votes	14,63,95,769	100
Invalid Votes	-	-

The shareholders approved the above said resolutions with requisite majority on September 17, 2025, and the results were declared on September 18, 2025.

The postal ballot was conducted, as per the procedure laid down in Section 108 and 110 of the Act, the rules made thereunder read with Circulars issued by Ministry of Corporate Affairs.

Mr. R. Sridharan (ICSI Membership CP No.3239-FCS No.4775) of M/s. R. Sridharan & Associates, Practicing Company Secretaries was appointed as Scrutinizer for conducting voting through remote e-voting, in a fair and transparent manner.

C. The postal ballot was conducted in the month of October 2025, to approve the following:

- To approve the Appointment of Mr. Arun Alagappan (DIN: 00291361) as Director of the company.
- To approve the payment of commission to Non-Executive Directors for a period of five years from FY 2025-26 to FY 2029-2030.

3. Material Related Party Transaction(s) with the Holding Company M/s. Coromandel International Limited.

The remote e-voting details on the above postal ballot were as follows:

1. To approve the Appointment of Mr. Arun Alagappan (DIN: 00291361) as Director of the company.

Particulars	No.	%
Votes cast in favour	15,89,78,573	99.99
Votes cast against	2,598	0.01
Total Valid votes	15,89,78,573	100
Invalid Votes	-	-

2. To approve the payment of commission to Non-Executive Directors for a period of five years from FY 2025-26 to FY 2029-2030.

Particulars	No.	%
Votes cast in favour	15,89,72,250	99.99
Votes cast against	8,421	0.01
Total Valid votes	15,89,72,250	100
Invalid Votes	-	-

3. Material Related Party Transaction(s) with the Holding Company M/s. Coromandel International Limited

Particulars	No.	%
Votes cast in favour	5,20,66,024	99.99
Votes cast against	2,616	0.01
Total Valid votes	5,20,66,024	100
Invalid Votes	-	-

The shareholders approved the above said resolutions with requisite majority on November 30, 2025, and the results were declared on December 01, 2025.

The postal ballot was conducted, as per the procedure laid down in Section 108 and 110 of the Act, the rules made thereunder read with Circulars issued by Ministry of Corporate Affairs.

Mr. R. Sridharan (ICSI Membership CP No.3239-FCS No.4775) of M/s. R. Sridharan & Associates, Practicing Company Secretaries was appointed as Scrutinizer for conducting voting through remote e-voting, in a fair and transparent manner.

There is no proposal to conduct postal ballot for any matter in the ensuing annual general meeting.

9. Registrar and Transfer Agents

XL Softech Systems Limited

Plot No.3, Sagar Society, Road no. 2,

Banjara Hills, Hyderabad - 500034

Tel. No. (040) 23545913/14/15,

Fax No. (040) 23552214

E-mail Id: ccare@xlsoftech.com, xlfiled@gmail.com,

10. Shareholding pattern and Distribution Holdings as on March 31, 2026

The shareholding pattern classified based on category and distribution of ownership, respectively is given below:

a. Shareholding Pattern as on March 31, 2026

Category	No. of shares	Percentage
Promoter	12,57,55,628	53.70
Mutual Funds	250	0.00
Indian Public	5,39,36,284	23.03
Foreign Institutional Investor/Foreign Portfolio Investor	1,16,286	0.05
Qualified Institutional Buyer	0	0
Insurance Company	0	0
Non-Resident Indians	1,54,62,325	6.60
Investor Education and Protection Fund	32,86,236	1.40
Private Bodies Corporates	3,07,01,659	13.11
Alternate Investment Fund	34,10,048	1.46
Hindu Undivided Family	15,10,608	0.65
Banks, Financial Institutions	0	0
Clearing Members	0	0
NBFCs	0	0
Foreign Nationals	0	0
Trusts	30	0.00
Foreign Companies	0	0
Societies	0	0
Foreign Bank	0	0
Total	23,41,78,330	100.00

b. Distribution of Holdings as on March 31, 2026

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1-5000	38,607	81.13	39,20,994	1.67
5001- 10000	3,210	6.75	23,93,373	1.02
10001- 20000	3,358	7.06	45,03,573	1.92
20001- 30000	745	1.57	18,69,248	0.8
30001- 40000	389	0.82	13,71,133	0.59
40001- 50000	251	0.53	11,75,069	0.5
50001- 100000	526	1.11	37,14,740	1.59
100001 & Above	502	1.05	21,52,30,700	91.91
Total	47,588	100	23,41,78,330	100

c. Mode of Holding, Dematerialisation of shares and liquidity

Particulars	No. of Shares	% of Shares	No. of Shareholders	% of Shareholders
Demat Mode	23,20,17,899	99.07	47,637	97.45
Physical Mode	21,60,431	0.92	1,246	2.54
Total	23,41,78,330	100.00	48,883*	100.00

*on Non-consolidation basis / without PAN grouping.

As on March 31, 2026, 99.07% of the shares were in dematerialized form.

11. Means of Communication

Quarterly results are published in the Business Standard (all editions - English) and Andhra Prabha (Hyderabad Edition - Telugu). The results are also posted on the Company's Website: <https://naclind.com/>. Official press releases, letters sent to Stock Exchanges and presentation made to the Analysts are all also posted on the Company's Website.

12. Nomination Facility

Section 72 of the Act provides the facility of nomination to share / debenture / deposit holders. The facility is mainly useful for all those holding the shares / debentures / deposits in single name. In cases where the securities / deposits are held in joint names, the nomination will be effective only in the event of the death of all the holders. Shareholders are advised to avail of this facility, especially investors holding securities in single name.

Shareholders are requested to note that SEBI has mandated registration of nomination or opt out of nomination for all shareholders of the Company either holding shares in physical mode or Demat mode along with valid PAN and KYC details.

Shareholders holding shares in physical mode are requested to refer note no. 13 to the Notice and submit the prescribed forms along with requisite documents to RTA regarding mandatory submission of Nomination Valid PAN, and KYC details.

Shareholders holding shares in demat mode are requested to submit the necessary forms to their respectively depository participant regarding mandatory submission of Nomination Valid PAN, and KYC details.

Share Transfer System

As per amended Regulation 39 and 40 of Listing Regulations, the Company shall issue securities in dematerialised form only while processing any requests from shareholders holding shares in physical mode in respect of i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub-division / Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission and viii. Transposition ("service requests").

Shareholders holding shares in physical mode are requested to refer note no. 14 to the Notice for details regarding service requests. All queries and requests relating to service requests shall addressed to RTA in prescribed form along with requisite documents.

13. Outstanding GDR / ADR / Warrants / Convertible instruments, Conversion Date and likely impact on Equity

The Company has not issued any GDR / ADR / Warrants or any convertible instrument, which is likely to have impact on the Company's Equity.

14. Commodity price risk or foreign exchange risk and hedging activities

As the Company is not engaged in commodity business, commodity risk is not applicable. Foreign Exchange risk is managed/hedged in accordance with the Policy framed by the Company for that purpose and periodical update is given to the Board on a quarterly basis.

15. Credit Ratings

The Company has obtained the credit rating for its fund-raising programmes from CRISIL Limited (CRISIL).

The Company's long-term credit rating by 'CRISIL' has been reaffirmed to 'CRISIL AA (Stable)' and short-term debt rating reaffirmed to 'CRISIL A1+'. This reflects a very high degree of safety regarding timely servicing of financial obligations and also a vote of confidence reposed in your Company's financials.

16. Employee Stock Option Scheme**ESOP Scheme, 2020**

At present the Company is having ESOS-2020 active and the said Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the year under review, the Company has granted the following stock options under ESOS-2020 Scheme to Eligible Employees.

Sl. No.	Date of Allotment	Number of Equity Shares Allotted	Scheme Name
1.	July 11, 2025	2,21,665	NACL ESOS Scheme, 2020
2.	October 24, 2025	86,667	NACL ESOS Scheme, 2020
3.	March 25, 2026	1,65,000	NACL ESOS Scheme, 2020

Each option would entitle the holders of the option to apply for one equity share of the Company.

The Company has allotted 4,73,332 fully paid equity shares to the Eligible Employees upon exercise of the vested stock options. In compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a certificate from the Secretarial Auditor of the Company confirming that the ESOS 2020 Scheme is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the Members, will be placed at the ensuing Annual General Meeting. The details required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and the disclosure required to be made under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with regard to the ESOS-2020 is available on our Company Website i.e. www.naclind.com.

17. Particulars of Senior Management Personnel and changes since the close of previous financial year.

There are changes in the Senior Management during the FY 2025-26. The Senior Management comprises of:

Sl. No.	Name of the SMP	Designation
1.	Mr. N. Shankar	Chief Financial Officer
2.	Mr. Satish Kumar Subudhi	Head – Legal & Company Secretary
3.	Mr. Narsimha Rao Kothapalli	Head – Exports
4.	Mr. Amit Taparua	Head – Operations
5.	Mr. Srinivas C R	Chief Human Resources Officer
6.	Mr. Praveen Dubey	Head – Inst. Business & Strategic Sourcing
7.	Mr. Biju Pillai	Director – R&D
8.	Mr. A. Kuppusamy	Head – PD, IPR & Regulatory Affairs
9.	Mr. Kannan Upadhyaya	Head – Marketing and Sales

During the year, Mr. Kannan Upadhyaya, Head – Marketing and Sales, was designated as Senior Management Personnel (“SMP”) with effect from January 29, 2026. Further, Mr. Ravi Kumar Mukala, General Manager – Corporate Strategy, was deputed to Coromandel International Limited, the Holding Company, with effect from January 29, 2026. Further, Mr. Satish Kumar Subudhi resigned from the position of Company Secretary on May 04, 2026 and Mr. Rajesh Mukhija was appointed as the Company Secretary of the Company w.e.f. May 05, 2026.

18. Transfer of Unpaid / Unclaimed Dividend and Shares to Investor Education and Protection Fund

Section 124 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (‘the Rules’), mandates the companies to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). During the year under review, the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Further, the Rules mandate that the shares on which dividend remains unpaid or unclaimed for a period of seven consecutive years or more be transferred to the IEPF.

During the year under review, the Company had sent individual notices and published advertisements in newspapers, urging shareholders who have not claimed their dividends for seven consecutive years or more to take appropriate action.

No dividend was declared by the Company for the financial year 2018–19. Accordingly, the provisions relating to transfer of unpaid/unclaimed dividend and corresponding shares to the IEPF are not applicable in respect of that financial year.

However, pursuant to the applicable provisions, during the financial year 2025–26, the Company has transferred unpaid/unclaimed dividends amounting to ₹ 5,19,784.01 pertaining to the year 2017-18, to the Investor Education and Protection Fund

19. Unclaimed shares

The following is the reconciliation of unclaimed shares in “NACL Industries Limited – Unclaimed Suspense Account”, pursuant to Schedule V of the Listing Regulations.

Particulars	No. of shareholders	No. of shares
Aggregate number of equity shareholders and the outstanding shares of ₹ 1/- each in the suspense account lying as on April 1, 2025	9	3,211
Number of equity shareholders who approached the Company for transfer of shares of ₹1/- each from the suspense account	-	-
Number of equity shareholders to whom shares were transferred from suspense account during the year	-	-
Number of equity shareholders whose shares were transferred to Investor Education and Protection Fund (IEPF) during the year	-	-
Aggregate number of equity shareholders and the outstanding shares of ₹ 1/- each in the suspense account lying as on March 31, 2026	9	3,211

All corporate benefits that accrue on these shares such as bonus shares, split, etc., shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen till the rightful owner of such shares claim the shares.

On behalf of the Board of Directors

Dr. Raghuram Devarakonda

Managing Director & CEO

DIN: 09749805

Sankarasubramanian S

Director

DIN: 01592772

Place: Hyderabad

Date: May 04, 2026

Annexure - D(i)

Declaration on Code of Conduct

This is to confirm that the Board has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2026, as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors

Dr. Raghuram Devarakonda

Managing Director & CEO

(DIN: 09749805)

Place: Hyderabad

Date: May 04, 2026

Compliance Certificate

Certification by Managing Director & CEO and Chief Financial Officer (CFO) of the Company under Regulation 17(8) and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

We, Dr. Raghuram Devarakonda, Managing Director & CEO and N. Shankar, Chief Financial Officer of NACL Industries Limited, to the best of our knowledge and belief, herewith certify that:

- A. We have reviewed the Financial Statements of the Company for the financial year ended March 31, 2026 and all its schedules and notes on accounts and the Cash Flow statements for the year and that to the best of our knowledge and belief certify that:
 - i). these statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - ii). these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
 - i). there have been no significant changes in the internal controls over financial reporting during the financial year 2025-26;
 - ii). there were no significant changes in accounting policies during the year;
 - iii). there was no instance of significant fraud, which we have become aware of and that involves management or other employees who have significant role in the Company's internal control systems over financial reporting.

Dr. Raghuram Devarakonda

Managing Director & CEO

(DIN: 09749805)

Place: Hyderabad

Date: May 04, 2026

For and on behalf of the Board

N. Shankar

Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members,
NACL INDUSTRIES LIMITED
CIN: L24219TG1986PLC016607
Coromandel House, 1-2-10,
Sardar Patel Road, Secunderabad,
Telangana – 500003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NACL INDUSTRIES LIMITED (CIN: L24219TG1986PLC016607)** having its Registered Office at Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad, Telangana – 500003 (hereinafter referred to as “The Company”) produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board India/Ministry of Corporate Affairs or any such other statutory authority.

Sl. NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	00291361	Alagappan Arun	Non-Executive - Non Independent Director - Chairman	10-10-2025
2.	09749805	Raghuram Devarakonda	Executive Director - Managing Director & CEO	08-08-2025
3.	08508501	Raghavendra Rao Balakrishna	Non-Executive - Independent Director	08-08-2025
4.	01592772	Sankarasubramanian S	Non-Executive - Non Independent Director	08-08-2025
5.	02070440	Suresh Subramanian	Non-Executive - Independent Director	08-08-2025
6.	08376952	Sanjiv Lal	Non-Executive - Independent Director	08-08-2025
7.	07831607	Lakshmi Kantam Mannepalli	Non-Executive - Independent Director	23-01-2024

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

For SRIDHARAN & SRIDHARAN ASSOCIATES
COMPANY SECRETARIES

CS R. SRIDHARAN
MANAGING PARTNER
CP No. 3239
FCS No. 4775
PR. NO.6232/2024
UIN: P2022TN093500
UDIN: F004775H000259909

Place: Chennai
Date : 04.05.2026

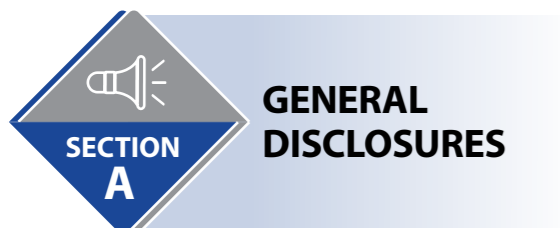
DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL WITH THE CODE OF CONDUCT AND ETHICS

Pursuant to Regulation 26(3) and Clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management laid down by the Company for the year ended March 31, 2026.

Place: Hyderabad
Date: May 04, 2026

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Business Responsibility & SUSTAINABILITY REPORTING



I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24219TG1986PLC016607
2.	Name of the Listed Entity	NACL Industries Limited
3.	Year of incorporation	1986
4.	Registered office address	Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad, Hyderabad, Telangana – 500003.
5.	Corporate address	17th Floor, Pranava One Hyderabad Commercial Block, Plot Nos. 6-3-654/1 to 9 and 6-3-654/A, Somajiguda, Hyderabad, Telangana – 500082.
6.	E-mail	investors@nacl.murugappa.com
7.	Telephone	040-2445100
8.	Website	www.naclind.com
9.	Financial year for which reporting is being done	2025-2026
10.	Name of the Stock Exchange(s) where shares are listed	- BSE Limited (BSE), Mumbai - National Stock Exchange (India) Limited (NSE), Mumbai
11.	Paid-up Capital (in Rs.)	23,41,78,330
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Kolli Seshagiri Rao Telephone: 040-2445100 Email ID: seshagiri@nacl.murugappa.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on Standalone basis.
14.	Name of assessment or assurance provider	Not Applicable
15.	Type of assessment or assurance obtained	Not Applicable

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of Chemical and chemical products	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Agri Inputs	20211	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	3	1	4
International	-	2	2

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	26
International (No. of Countries)	39

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

Out of the total sales turnover of ₹1,49,589 Lakhs (excluding other operating income) on standalone basis, the turnover of the products sold in India (including Institutional Sales) is ₹ 1,14,234 Lakh (76%) and that of other countries is ₹ 35,355 Lakh (24%).

c. A brief on types of customers

The Company's customers include farmers, retailers and distributors who are served direct and through domestic and other multinational agrochemical companies and distributors.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1294	1265	98%	29	2%
2.	Other than Permanent (E)	40	35	88%	5	13%
3.	Total employees (D + E)	1,334	1,300	97%	34	3%
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	1100	1078	98%	22	2%
6.	Total workers (F + G)	1100	1078	98%	22	2%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D +E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7*	1	14%
Key Management Personnel	3*	NIL	NIL

* Includes MD & CEO

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20%	17%	20%	18%	38%	19%	11.08%	0.64%	11.08%
Permanent Workers	Not assessed								

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

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

S. No.	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Coromandel International Limited	Holding Company	53.70%	Yes
2	L.R. Research Laboratories Private Limited	Wholly Owned Subsidiary	100%	Operations of subsidiaries and associates are not at a scale that can support Business Responsibility initiatives.
3	Nagarjuna Agrichem (Australia) Pty Limited	Wholly Owned Subsidiary	100%	
4	NACL Multichem Private Limited	Wholly Owned Subsidiary	100%	
5	NACL Agri-Solutions Private Limited	Wholly Owned Subsidiary	100%	
6	NACL Spec-Chem Limited	Wholly Owned Subsidiary	100%	
7	NACL Industries (Nigeria) Ltd.	Wholly Owned Subsidiary	100%*	
8	Nasense Labs Private Limited	Associate	26%	

* 5% is held by NACL Spec-chem (wholly owned subsidiary of the Company)

VI. CSR Details

24. (i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	No
(ii)	Turnover (in ₹)	₹1,50,721 Lakhs
(iii)	Net worth (in ₹)	₹73,540 Lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. A focussed group comprising the Senior Leadership/the CSR Head interacts with the community leaders to understand and address their concerns.	0	0	-	0	0	-
Investors (other than shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes. the Company attends shareholder grievances / correspondences expeditiously and has in place a grievance redressal mechanism. A dedicated email ID "investor@naclind.com" is available to all shareholders to share their grievances / complaints.	5	0	-	0	-	-
Employees and workers	Yes.	0			0		
Customers	Yes. All details - contact no., address and email-id - for lodging complaints are specified on products. Complaints are addressed as per laid down procedures.	NIL					
Value Chain Partners (dealers, vendors)	Yes.	0	-	-	0	-	-
Other (contract workers, trainees, etc)	Yes.	0	-	-	0	-	-

Policies which are required by the law is available on the website of the Company.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Waste Management	R	Inadequate waste management practices may lead to non-compliance with environmental regulations, resulting in legal liabilities, penalties, and adverse impacts on surrounding communities.	Implementation of robust waste management protocols to ensure regulatory compliance; adoption of waste minimization strategies such as Reduce, Reuse, Recycle, and Waste-to-Energy; transition towards circular economy principles; continuous engagement with local communities.	Negative
2	Climate Change (Emissions, Energy)	R	Evolving environmental regulations and emission norms may require operational modifications and increased compliance costs. Failure to manage GHG emissions may adversely impact reputation and stakeholder relationships.	Investment in energy-efficient and low-emission technologies; transition from high carbon-intensive fuels to cleaner alternatives; increased adoption of renewable energy sources; continuous monitoring and reduction of carbon footprint.	Negative
3	Health and Safety	R	Unsafe working conditions can lead to occupational incidents, reputational damage, increased medical costs, and operational disruptions.	Strict adherence to statutory safety requirements; implementation of robust EHS management systems; regular safety training, audits, and risk assessments; adoption of a Zero Harm policy across all sites.	Negative
4	Regulatory Compliance	R	Non-compliance with applicable laws and regulations may result in operational disruptions, financial penalties, and reputational loss.	Continuous tracking of regulatory requirements; proactive compliance management; regular internal and external audits; structured stakeholder communication on regulatory updates and certifications.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Raw Materials, quality and supply chain management	R	Use of substandard raw materials and non-compliant supply chains can impact product quality, safety, and long-term business sustainability.	Implementation of stringent quality control systems; supplier qualification, evaluation, and periodic audits; supplier training programs; focus on resource efficiency and process optimization.	Negative
6	Employee Well-being	O	Investment in employee welfare enhances workforce engagement, productivity, and long-term organizational capability.	Development of employee-centric policies; focus on health, safety, skill development, and well-being initiatives; fostering an inclusive and progressive work environment.	Positive
7	Community Engagement	O	Strong community relationships enable mutually beneficial partnerships, social acceptance, and smoother business operations.	Implementation of community development initiatives; skill-building programs; continuous stakeholder engagement and transparent communication to build trust.	Positive
8	Research & Development	O	Continuous investment in R&D drives innovation, competitiveness, and development of sustainable products.	Strengthening R&D capabilities; focus on sustainable and efficient product development; alignment with market and regulatory requirements.	Positive

SECTION B
MANAGEMENT AND PROCESS DISCLOSURES

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

The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has updated and adopted nine areas of Business Responsibility. These are briefly as under:

- P1 Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
- P2 Businesses should provide goods and services in a manner that is sustainable and safe
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 Businesses should respect the interests of and be responsive to all its stakeholders
- P5 Businesses should respect and promote human rights
- P6 Businesses should respect and make efforts to protect and restore the environment
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8 Businesses should promote inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://naclind.com/investor-relations/investor-information/policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001: 2015 ISO 14001: 2015 ISO 45001: 2018 Responsible Care Management System.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	By 2030: Reduce specific energy consumption by 25% Reduce Specific GHG/CO2 Emissions by 30% Increase renewable energy utilization by 25% Reduce Specific Hazardous waste generation by 25% Reduce specific water Consumption by 30%								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Short- and medium-term sustainability goals have been defined, supported by a measurable action plan. Performance is tracked annually and periodically reviewed by senior management.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Long-term investment in sustainability continues to create value across our operations, environment, and stakeholders. The commitment of our employees, customers, and partners has enabled the integration of responsible practices and strong safety standards.

We are proud to report five consecutive years of zero incidents, reflecting the robustness of our safety systems and Zero Harm culture in a high-risk industry.

This marks our fourth Sustainability Report, demonstrating consistent progress, transparency, and stakeholder trust in our ESG journey.

Our growth is driven by customer confidence, improved operational efficiency, and adoption of sustainable practices, including Zero Liquid Discharge (ZLD) and cleaner technologies.

We remain committed to embedding sustainability into our core strategy, creating long-term value, and contributing responsibly to future generations.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Seshagiri Rao Kolli Head Manufacturing Operations along with the Board of Directors and the Committees of the Board, is responsible for implementation and oversight of the Business Responsibility policy (ies)
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Board has an overall responsibility for oversight of the Company's Sustainability & ESG strategy. The Board periodically reviews the sustainability issues and progress updates are provided annually.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all applicable regulations and statutory compliances. Compliance Certifications and applicable laws are regularly reviewed and updated.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P1 P2 P3 P4 P5 P6 P7 P8 P9								
Independent assessments are also carried out by external agencies, especially when conducting environmental impact assessments during expansions and for specific international clients.	Yes. Regular and periodic review and assessments of charters and policies is internally conducted by Senior Management and Board Committees. These assessments are factored into various policies, projects and business responsibility and sustainability aspects.																	

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	The various policies cover all the Principles of National Guidelines on Responsible Business Conduct (NGRBC). NACL has allocated adequate financial, human and technical resources towards the task. The quality management systems are in line with different applicable ISO standards such as ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018 including Responsible Care-7 codes of Management practices.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C
PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 01

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	The Company has established a comprehensive familiarization programme for Independent Directors to acquaint them with their roles, rights, and responsibilities as Directors, as well as with the Company's operations, business model, and the industry in which it operates. As part of the ongoing familiarization process, periodic presentations are made at the meetings of the Board and its Committees on various aspects relating to the Company's business, strategic initiatives, operational performance, risk management framework, regulatory environment, code of conduct and ethics, and environmental, social and governance (ESG) matters. Further, regular updates are circulated to all Board Members and Key Managerial Personnel (KMPs) to keep them informed about significant developments in the business, regulatory amendments, compliance requirements, key risks, and important legal matters.	100
Key Managerial Personnel	1		100
Employees other than BoD and KMPs	294	In addition to specific training programmes for various levels conducted throughout the year, all key management personnel, employees and workers are given basic training and appraised of NACL's ethical code of conduct, human rights and POSH policies. All new hires go through such training during induction.	100
Workers	120	Workers undergo training on topics such as technical, soft skills, QHSE, human rights, wellbeing for workers. Training Enhancement in skills year on year.	100

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

Monetary					
	NGRBC Principle	Name of the Regulatory / enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine		Stock Exchanges (BSE & NSE)	₹10,000/- & ₹55,000/-	Delay in submission of Board Meeting Intimation and Non-submission of RPT details.	No
Settlement			-	-	-
Compounding fee			-	-	-
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment		NIL			
Punishment					

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NIL

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

Yes, the Company has an elaborate Code of Conduct in place that also cover policies related to corruption and bribery. It has 'zero tolerance' of any practice that may be classified as corruption, bribery or giving or receipt of bribes and the same has been mentioned in its Code of Conduct. The Company is committed to acting professionally and with integrity in all its business dealings and relationships. This includes compliance with all laws, domestic and foreign, prohibiting improper payments or gifts of any kind to or from any person, including officials in the private or public sector, customers and suppliers.

Also, the Company has whistle blower policy and code of conduct which can be accessed through <https://naclind.com/investor-relations/investor-information/policies/>

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

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs		
Employees		
Workers		

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL		NIL	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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

Not Applicable

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payable	92	133

9. Open ness of Business

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of sales	a. Sales to dealers/distributors as % of total sales	45	52%
	b. Number of dealers/distributors to whom sales are made	7,208	7,397
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	8%	7%
Share of RPT in	a. Purchases (Purchases with related parties/ Total Purchases)	6%	9%
	b. Sales (Sales to related parties/Total Sales)	4%	5%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	100%	100%
	d. Investments (Investments in related parties/Total Investments made)	100%	100%

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

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

An established code of conduct and conflict resolution policy guide the Board's actions. Transparent records of possible conflicts, disclosures, and decisions are maintained. The relevant Board Committees review disclosures, assessing their potential impact on any decision-making biases. Any possible conflicted members recuse themselves from related discussions and voting. Regular training on ethical conduct and fiduciary duties keeps members informed while Independent directors provide objective viewpoints.

Principle 02

Businesses should provide goods and services in a manner that is sustainable and safe Essential Indicators

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

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D			Please refer to the Annexure V of the Directors Report
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No).
Yes. The Company has established a robust supplier selection and evaluation framework, incorporating defined parameters related to adherence to the Code of Conduct, Environment, Health & Safety (EHS) standards, and compliance with all applicable legal and regulatory requirements, including mandatory certifications. Suppliers are assessed to ensure alignment with the Company's sustainability, safety, and ethical business practices.
- b. If yes, what percentage of inputs were sourced sustainably?
The Company is in the process of detailing out sustainability assessment processes of its key suppliers.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
 - a) Plastics (including packaging) - Expired products are sent to an authorised agency in accordance with the Hazardous Waste Management Rules, 2016 ('the Rules'). Damaged product packaging is returned to the respective factories for repacking and redelivery.
 - b) E- waste – The Company ensures safe disposal of e-waste with minimal environmental impact, by disposing off all e-waste through agencies authorised by the Pollution Control Board.
 - c) Hazardous waste - Hazardous waste is categorised as per mandatory rules. Waste that can be utilised is sent to the authorised end users for utilisation (such as cement factories) and converted into useful products. The remaining hazardous waste is sent for proper disposal at Pollution Control Board's authorised facilities.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
Yes. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No). If yes, provide the web-link.
2011	Prefenofos	31%	Environmental impacts associated with a product or service.	Yes	No

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

Name of Product / Service	Description of the risk / concern	Action Taken
Preferofos	Utilization of Virgin/Raw Bromine	43% of Raw Bromine is replaced with recycled / recovered bromine

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Bromine	Not assessed	Not assessed

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

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Assessed			Not Assessed		
E-waste	Not Assessed			Not Assessed		
Hazardous waste	Not Assessed			Not Assessed		
Other waste	Not Assessed			Not Assessed		

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Assessed	Not Assessed

b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1078	1078	100%	1078	100%	-	-	-	-	-	-
Female	22	22	100%	22	100%	-	-	-	-	-	-
Total	1100	1100	100%	1100	100%	-	-	-	-	-	-

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

	FY 2025-26	FY 2024-25
Cost incurred on the well being measures as a % of total revenue of the company	0.67	0.79

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Others – please specify	-	-	-	-	-	-

3. Accessibility of workplaces

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

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

The Company does not discriminate on the grounds of disabilities and believes in providing equal opportunities to all its employees.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100.00	NA	NA	NA
Total	NA	NA	NA	NA

Principle 03

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

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (/A)	Number (F)	% (F / A)
Permanent employees											
Male	1265	1265	100%	1265	100%	-	-	1265	1265	-	-
Female	29	29	100%	29	100%	29	29	-	-	29	29
Total	1294	1294	100%	1294	100%	29	100%	1265	100%	29	100%

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

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	The employees / workers can register their complaints with their immediate manager or concerned HR manager. Also, the Company has established a vigil mechanism/ Whistle blower policy for Directors and employees to report their concerns.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employee/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers	-	432	-	-	441	-
- Male	-	432	-	-	441	-
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E / D)	No. (F)	% (F/D)
Employees										
Male	1097	1097	100%	929	100%	1318	1318	100%	1318	100%
Female	4	4	100%	10	100%	29	29	100%	29	100%
Total	1101	1101	100%	939	100%	1347	1347	100%	1347	100%
Workers										
Male	242	242	100%	-	-	811	811	100%	811	100%
Female	10	10	100%	7	100%	24	24	100%	24	100%
Total	252	252	100%	112	100%	835	835	100%	835	100%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	810	810	100%	1318	536	41%
Female	29	29	100%	29	11	38%
Total	839	839	100%	1347	547	41%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). Yes. The Company is implementing a comprehensive Occupational Health and Safety Management System across all its operations, aligned with ISO 45001 standards and the Responsible Care (RC) 7 Codes of Management Practices. The system covers all employees, contractors, and operational activities at both plants. We are implementing additional improvements based on recommendations from the National Safety Council to further enhance the effectiveness of our existing safety systems and procedures.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? The Company has established a comprehensive HIRAC (Hazard Identification, Risk Assessment and Control) framework to systematically identify workplace hazards and assess risks for both routine and non-routine activities. Regular risk assessments are conducted across operations, supported by defined procedures for hazard reporting, daily monitoring, and documentation. This structured approach ensures effective risk mitigation and alignment with the Company's Occupational Health and Safety (OHS) policy.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N) Yes.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) Yes

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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	1
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities) [Unsafe Act/Unsafe Condition (number of incidents)]	Employees	0	0
	Workers	0	0

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

- Mandatory safety training for all employees and contract workers on handling, storage, and transportation of chemicals.
- Regular training in safe handling processes, proper use of personal protective equipment and emergency response procedures.
- Farmer outreach and training of farmers on proper usage of chemicals.
- Training to enhance availability of skilled manpower.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

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

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

Prevention of safety-related incidents is a key priority for the Company. A comprehensive safety program is implemented, including employee training, pre-job safety analyses, and structured systems for hazard identification, risk assessment, and corrective actions. Regular internal audits ensure effectiveness, and a formal process is followed for reporting, monitoring, and learning from near-miss incidents. Continuous measures are taken to reduce recordable incidents, with employee incentives linked to the achievement of safety targets.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

- (A) Employees (Y/N) - Yes
- (B) Workers (Y/N). - Yes

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

All Statutory Compliances are monitored in SAP – Customised Report, which triggers alerts to people responsible for such compliance and also gets escalated to his / her seniors to avoid any non-compliances.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	-	1	-	-
Workers	-	-	-	-

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

5. Details on assessment of value chain partners:

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

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

We have taken the corrective actions whenever incident happens, preventive actions are taken care of to minimise the safety and health related issues if any.



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

Essential Indicators

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

NACL has identified a number of stakeholders that have an impact on its business and ones that are impacted by its operations. The Company engages with various stakeholders with the intention of understanding and addressing their expectations and developing strategies for the Company.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> • Trainings (online, face-to-face) • E-mails • Workshops/webinars • Company (Internal and external) • website • Feedback forms • Needs assessment surveys 	Ongoing	<ul style="list-style-type: none"> • Learning and development • Fair employment • Practices • Career growth
Local community	No	<ul style="list-style-type: none"> • Community meetings • Public hearings • Awareness sessions • Industry visits • Presentations • Personal interactions 	Ongoing	<ul style="list-style-type: none"> • Health and safety of community and crops • Company strategy • Company updates
Customers	No	<ul style="list-style-type: none"> • Annual General Meeting • Internal publications • One-to-one engagements • Customer Meets • Awareness sessions and industry walks • Presentations • Surveys & feedback forms 	Ongoing	<ul style="list-style-type: none"> • Cost Effective Business Solutions • Business Efficiency • Responsiveness • Good customer service • Webinars
Investors (institutional and retail)	No	<ul style="list-style-type: none"> • Annual General Meeting • Investor presentations • Internal publications • Meetings between the management, fund managers and IR Team 	Quarterly /Annual	<ul style="list-style-type: none"> • Business and growth plans • High dividend pay-out • Corporate reputation • Capital allocation • Good governance practices and risk management
Vendors and suppliers	No	<ul style="list-style-type: none"> • Presentations • Surveys • Sustainability questionnaires 	Ongoing	<ul style="list-style-type: none"> • Credit and payments • Sustainability processes • Ease of engagement • Trust and value
Government officials/regulatory authorities	No	<ul style="list-style-type: none"> • Annual Report / Sustainability Report • E-mails • Presentations • Personal interactions 	Monthly / Quarterly /Annual	<ul style="list-style-type: none"> • Regulatory compliance • Taxes • Transparent reporting • Corporate social responsibility

Leadership Indicators

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

NACL's direct engagement with internal and external stakeholders involves face-to-face and online discussions.

Indirect engagement involves reviewing publications, responses, feedback forms and surveys. Outcomes from the direct and indirect engagement process are reported to the Committees of the Board and respective vertical heads for further action. While a number of circumstances and decisions govern specific stakeholder consultation processes, our internal and external stakeholder engagement follows a broad continuous process.

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

Not Applicable



Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	647	647	100%	1347	1347	100%
Other than permanent	12	12	100%	48	48	100%
Total Employees	659	659	100%	1395	1395	100%
Workers						
Permanent	NA	NA	NA	-	-	-
Other than permanent	NA	NA	NA	835	835	100%
Total Workers	NA	NA	NA	835	835	100%

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

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Male	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Female	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Other Permanent	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Male	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Female	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Male	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Female	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Other Permanent	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Male	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed
Female	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed	Assessed

3. Details of remuneration/salary/wages, in the following format:

Gender	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	13	1,30,000	3	1,50,000
Key Managerial Personnel	5	87,00,000	-	-
Employees other than BoD and KMP	1,325	5,50,008	29	7,55,988
Workers	840	1,80,000	19	1,75,000

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

Yes

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

Any issues related to human rights and code of conduct are addressed by relevant internal committees or the functional heads.

Number of Complaints on the following made by employees and workers: No complaints made by any worker or employee on Sexual Harassment, Discrimination at Workplace, Child Labour, Forced or Involuntary Labour, wages, or other Human Rights related issues.

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

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human Rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013(POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

The Company will ensure that the complainant or victim or witnesses are not victimised or discriminated against while dealing with complaints of harassment. However, anyone who abuses the procedure (for example, by maliciously putting an allegation knowing it to be untrue) will be subject to disciplinary action.

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

Yes

10. Assessments for the year:

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

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No Violations or concerns were reported.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

No human rights grievances/complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Human Rights form a part of all supply chain contracts and awareness sessions on Human right are a part of induction process for all employees. No separate Due diligence is conducted.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

YES

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

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

Nil



Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

Parameter	FY 2025-26	FY 2024-25
For renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C) (TOE) GJ	-	-
For non-renewable sources		
Total electricity consumption (A)	1,06,830.33	70,833.66
Total fuel consumption (B)	4,47,013.37	2,41,911.35
Energy consumption through other sources (C)	3,3,893.483	26,654.735
Total energy consumed from non-renewable sources (A+B+C) (TOE) GJ	5,87,737.18	3,99,449.74
Energy intensity per rupee of turnover (Total energy consumption/ turnover (MJ) in rupees)	0.0389	0.032
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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

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

No

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	1,41,151	1,54,824
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others (Storm water)	13,924	420
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,55,075	1,55,244
Total volume of water consumption (in kilolitres)	1,55,075	1,55,244
Water intensity per lakh rupee of turnover (Water consumed / turnover)	1.03	1.24
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total water consumption / Revenue from operations adjusted for PPP) (KL/Rupees PPP Adjusted)	0.00021	0.00025
Water intensity in terms of physical output (KL/MT)	4.476	5.023
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
i) To Surface water	103855.00	96282.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	103855.00	96282.00
(ii) To Groundwater	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iii) To Seawater	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third parties	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(v) Others	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
Total water discharged (in kilolitres)	103855.00	96282.00

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

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes.

The ZLD treatment process is implemented in all three manufacturing sites to remove all the liquid waste from a system. The focus of ZLD is to treat wastewater economically and produce clean water that is suitable for reuse at the plant for various purposes, such as horticulture. Hazardous waste generated from the processes is scientifically processed at site and what cannot be processed is sent for safe disposal to authorized partners approved by CPCB/SPCBs.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	MT	2.26	2.2
SOx	MT	2.06	2.04
Particulate matter (PM)	Not assessed	Not assessed	Not assessed
Persistent organic pollutants (POP)	Not assessed	Not assessed	Not assessed
Volatile organic compounds (VOC)	Not assessed	Not assessed	Not assessed
Hazardous air pollutants (HAP)	Not assessed	Not assessed	Not assessed
Others – please Specify	Not assessed	Not assessed	Not assessed

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

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	44795.965	25034.161
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	24357.315	16161.475
Total Scope 1 and Scope 2 emissions per rupee of turnover	per rupees	4.588	3.291
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	per lakh rupees	0.459	0.329

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

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

Yes. At Srikakulam location, CO2 Gas recovery plant was established in 2021-22.CO2 is recovered from boiler flue gases which is under operations.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not assessed	Not assessed
E-waste (B)	1.503	1.4528
Bio-medical waste (C)	0.00088	0.00684
Construction and demolition waste (D)	Not assessed	Not assessed
Battery waste (E)	5.136	0.4699
Radioactive waste (F)	Not assessed	Not assessed
Other Hazardous waste. Please specify, if any. (G)	5682.22	4598.661
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Not assessed	Not assessed
Total (A+B + C + D + E + F + G + H)	5688.86	4600.59
Waste intensity per Lakh rupee of turnover (Total waste generated / Revenue from operations)	0.03774	0.03675
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total Revenue waste from generated / operations adjusted for PPP) (MT/Rs.)	0.00000770	0.00000750
Waste intensity in terms of physical output	0.1642	0.1488
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Not assessed	Not assessed
(ii) Re-used	Not assessed	Not assessed
(iii) Other recovery operations	Not assessed	Not assessed
Total		

Parameter	FY 2025-26	FY 2024-25
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	1374	858
(ii) Landfilling (TSDF)	4842	3184.02
(iii) Utilizable	826.053	199.4
(iv) Other disposal operations (cement industries co-processing; TSDF co-processing)	175	380.8
Total	7218.556	4622.22

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

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

Solid wastes generated from the manufacturing process, solvent distillation, effluent treatment system, DG sets and boilers is sent to cement plants for co-incineration or to the TSDF (Treatment, Storage, and Disposal Facilities) for landfill. Waste oil and used batteries from the DG sets are sent to authorized recyclers. Other solid wastes like containers and empty drums are returned to the product seller or sold to authorized buyers after detoxification. Coal ash from boilers and thermic fluid heater is sold to brick manufacturers.

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

No operations in ecologically sensitive areas. But before all expansions and new operations all environmental approvals and clearances in place.

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

Environmental impact assessment done and clearances received before expansion of Srikakulam Site. Dahej greenfield site also went through Environmental Impact Assessment and clearances from MoEF.

No Environmental Impact Assessment conducted during the current financial year. Last Environmental Impact Assessment conducted in October 2021 for EXPANSION OF AGROCHEMICALS MANUFACTURING UNIT FROM 30 TPD To 70.1 TPD at the Srikakulam plant.

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

Yes. All Compliances in place.

Principle 07

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

Essential Indicators

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

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Crop Care Federation of India (CCFI)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	Pesticides Manufacturers & Formulators Association of India (PMFAI)	National
4	Federation of Telangana Chamber of Commerce & Industry (FATCCI)	National
5	Confederation of Indian Industry (CII)	National

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

Name of authority	Brief of the case	Corrective action taken
There was no adverse order from regulatory authorities		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Nil					

Principle 08

Businesses should promote inclusive growth and equitable development

Essential Indicators

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

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

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
N/A						

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

The Board of Directors of the Company had adopted the Whistle Blower Policy. A mechanism has been established for all stakeholders including Directors, employees, vendors and suppliers to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company:

www.naclind.com.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	32%	23%
Sourced directly from within the district and neighbouring districts	5 %	10%

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

Location	FY 2025-26	FY 2024-25
Rural	65.82%	65.82%
Semi-Urban	6.57%	6.57%
Urban	5.62%	5.62%
Metropolitan	21.99%	21.99%



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

Essential Indicators

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

NACL has strong mechanisms and multiple touchpoints through which complaints are handled – Through the Krishi kalyan app and portal, through the dealers and sales team, through website queries, and social media platforms. All complaints are tracked and responded to. Specific complaints that require personal visits, are addressed by the sales and marketing teams.

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

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

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

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services		NIL			NIL	
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		No Products were recalled on account of safety or other issues
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company follows the information security guidelines set by the IT team of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company was not required to take any corrective actions relating to advertising, delivery of essential services, cyber security and data privacy of customers. No instances of product recalls and no penalty levied or action taken by regulatory authorities on safety of products / services.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on all NACL products is available on the company website (<https://naclind.com/products/>), through direct distribution networks and Krishi Kalyaan app.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Marketing team works extensively with all direct and indirect consumers to educate them on all products through various in person and virtual meetings, through field days with farmers, through the Krishi Kalyaan App and the Krishi Kalyaan call center. Consumers are educated about the correct use, application and dosage of the Company's products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

N/A

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).

All product information is displayed on products as per applicable laws. The company regularly conducts informal surveys with consumers and the marketing team gets information on products through regular engagement with its consumers.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact: NIL
- b. Percentage of data breaches involving personally identifiable information of customers: NIL

For and on behalf of the Board

	Dr. Raghuram Devarakonda Managing Director & CEO (DIN: 09749805)	Sankarasubramanian S Director (DIN: 01592772)
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Place: Hyderabad
Date: May 04, 2026

Independent AUDITOR'S REPORT

To the Members of NACL Industries Limited Report on the Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks

of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Recognition and measurement of revenues	
<p>Refer to note 3.3, note 3.25.1 and note 22 to the standalone financial statements.</p> <p>Revenue from sale of goods is recognised when the control of goods is transferred to the customers. In accordance with the accounting policy, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms.</p> <p>This has been determined as a key audit matter in view of the judgement and estimates involved in assessing the terms of sales arrangement, including the timing of transfer of control, and accrual of rebates and sales returns.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> We understood the revenue recognition process, evaluated the design and implementation of internal controls relating to revenue recognition. We selected samples and tested the operating effectiveness of internal controls relating to transfer of control. We carried out a combination of procedures involving enquiry, observation, and inspection of evidence in respect of operation of these controls. We tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. In respect of the selected sample of transactions <ul style="list-style-type: none"> We obtained the customer contracts and understood the terms and conditions including delivery and shipping terms. We tested whether the revenue is recognised upon transfer of control to customer. We tested on a sample basis (including for sales near to the period-end) shipping documents / customer acknowledgment, as applicable. We assessed the process and assumptions used by management to estimate accruals for sales returns, rebates and incentives, including reviewing historical data and contractual terms. We assessed relevant disclosures in the standalone financial statements of the Company.
(b) Assessment of recoverability of trade receivables	
<p>Refer to note 3.20, note 3.25.1 and note 10 to the standalone financial statements, the Company recognises provision against trade receivables based on expected credit loss (ECL) model as per Ind AS 109 Financial Instruments.</p> <p>The ECL is computed based on historical credit loss experience, specific reviews of customer accounts as well as experience with such customers, current economic and business conditions.</p> <p>The recoverability of trade receivables and the valuation of the allowance for ECL against trade receivables has been considered a key audit matter due to the judgement involved in determining the provision which requires evaluation of various factors such as the financial condition of the counterparty, probability of default, loss given default, expected future cash flows and other related factors.</p>	<p>Our procedures in relation to the management's assessment of recoverability of trade receivables included the following:</p> <ul style="list-style-type: none"> We have obtained an understanding of the process and testing the design, implementation and operating effectiveness of relevant internal controls for evaluating the recoverability of trade receivables including collection process and the methodology for determining the allowance for impaired trade receivables. We have evaluated reasonableness of the method and assumptions and judgements used by the management with respect to recoverability of trade receivables, including assessment of the profile of trade receivables, probability of default, loss given default, expected future cash flows. We evaluated the simplified approach applied by the Company to identify lifetime ECL. In doing so, obtained the schedule of receivables aging, inquired into aged balances and assessed managements explanation for collectability. We tested the managements computation and accuracy of the provision for ECL. We assessed relevant disclosures in the standalone financial statements of the Company.

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matters

The financial statements of the company for the year ended March 31, 2025, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 28, 2025.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 31 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Nature of Amount	Amount in ₹ Lakhs	Due date for transfer to IEPF	Date of Transfer	Delay (in days)
Unpaid Dividend (FY 2016-17)	4	September 4, 2024	September 18, 2025	380
Unpaid Dividend (FY 2017-18)	5	September 4, 2025	January 29, 2026	148

- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 44 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds

or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement;

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

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except as described in note 45 to the standalone financial statements, that in respect to primary accounting software, audit trail feature is not enabled for direct changes to data when using certain access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail in respect of the relevant prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the prior years.

- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 44 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 26213271HLUZEJ3617

Place of Signature: Hyderabad

Date: May 4, 2026

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

Re: NACL Industries Limited ("the Company")

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the Property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination, we report that the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) As disclosed in note 44 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company. (iii) (a) According to the information and explanations given by the management, during the year the Company has provided loans (including investments in compulsory convertible debentures) and stood guarantee and provided security to other entities, the details of which are tabulated below:

(₹ in Lakhs)

Particulars	Loans	Advance in nature of loans	Guarantees	Security
Aggregate amount granted / provided during the year				
- Subsidiaries	13,113	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at the balance sheet date in respect of above cases				
- Subsidiaries	13,113	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

- (b) According to the information and explanations given to us and based on audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and the terms and conditions of all loans granted are not prejudicial to the company's interest.
- (c) According to the information and explanations given to us and based on audit procedures performed by us, in respect of loans provided by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) During the year, the Company had renewed loans to companies to settle the loan granted which had fallen due during the year. The aggregate amount of such dues renewed and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Party	Aggregate amount of loans granted during the year (₹ Lakhs)	Aggregate due amount settled by renewal of loans (₹ Lakhs)	Percentage of the aggregate to the total loans granted during the year
NACL Spec-Chem Limited	13,113	5,235*	40%

*including interest accrued of ₹163 Lakhs. (also refer note 7).

- (f) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of pesticides and other goods and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ('the Act') are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of the dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved (₹ lakhs)	Amount paid under protest (₹ lakhs)
Central Excise Act, 1944	Excise Duty	Hon'ble High-court of Andhra Pradesh	2004-05 2008-09	13	5
Central Excise Act, 1944	Excise Duty	CESTAT, Hyderabad	2005-06	4	4
Central Excise Act, 1944	Excise Duty	Additional Commissioner (Appeals), Visakhapatnam	2006-07	12	-
Finance Act, 1944	Service Act	The Commissioner (Appeals), Guntur, Central Tax & Customs	2006-07 2010-11	15	1
Sales Tax, Act	Sales Tax	Assistant Commissioner, Indore	2012-13 2013-14 2014-15	32	5
Sales Tax, Act	Sales Tax	Assistant Commissioner, Ghaziabad	2012-13 2016-17	11	11
Sales Tax, Act	Sales Tax	Hon'ble Highcourt of Telangana and Andhra Pradesh	2011-12 2013-14 2014-15 2015-16	50	14
Sales Tax, Act	Sales Tax	Sales Tax Appellate Tribunal, Andhra Pradesh	2015-16	1	1
Goods and Services Tax Act, 2017	Goods and Services Tax	Appellate Additional Commissioner (Appeals), Ghaziabad	2017-18	25	2
Goods and Services Tax Act, 2017	Goods and Services Tax	Additional Commissioner of Central Tax (Appeals), Vijayawada	2017-18	64	13
Goods and Services Tax Act, 2017	Goods and Services Tax	Additional Commissioner of GST & Central Excise (Appeals), Trichy	2017-18 2019-20	14	*
Goods and Services Tax Act, 2017	Goods and Services Tax	Commissioner (Appeals), Ambawadi, Ahmedabad	2017-18	2	1
Goods and Services Tax Act, 2017	Goods and Services Tax	The Additional Commissioner (ST) (Appeals), Vijayawada	2017-18	112	9
Goods and Services Tax Act, 2017	Goods and Services Tax	The Additional Commissioner (ST) (Appeals), Vijayawada	2018-19	164	9
Goods and Services Tax Act, 2017	Goods and Services Tax	Joint Commissioner (Appeals), Trichy	2025-26	7	7
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, Hyderabad	2015-16 2016-17 2017-18	261	168
Electricity Act, 2013	Electricity Duty	Hon'ble Supreme Court	2008-09	3	-

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate. The Company does not have any joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associate company. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company. The Company does not have any joint venture.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There are two registered Core Investment Companies (CICs) as a part of the Group as defined under Core Investment Companies (Reserve Bank) Directions.
- (xvii) The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the Company incurred cash losses amounting to Rs. 3,208 Lakhs.
- (xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

- (xix) On the basis of the financial ratios disclosed in note 35 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of

the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 26213271HLUZEJ3617

Place of Signature: Hyderabad

Date: May 4, 2026

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of NACL Industries Limited

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

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

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

Place of Signature: Hyderabad
Date: May 4, 2026

Opinion

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

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Shankar Srinivasan**

Partner

Membership Number: 213271

UDIN: 26213271HLUZEJ3617

Standalone Balance Sheet

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	23,528	23,080
(b) Capital work-in-progress	4	496	724
(c) Right-of-use assets	4A	1,046	262
(d) Intangible assets	5	1,023	705
(e) Intangible assets under development	5	1,137	2,116
(f) Financial assets			
(i) Investments	6	26,932	11,437
(ii) Loans	7.1	82	76
(ii) Other financial assets	7.2	598	538
(g) Deferred tax assets (net)	19	2,387	3,088
(h) Income tax assets (net)	13.1	622	1,163
(i) Other non-current assets	8	267	228
Total non-current assets		58,118	43,417
2 Current assets			
(a) Inventories	9	26,354	26,240
(b) Financial assets			
(i) Trade receivables	10	46,846	31,367
(ii) Cash and cash equivalents	11	211	5,718
(iii) Bank balances other than (ii) above	12	3,191	203
(iv) Loans	7.1	-	2,093
(v) Other financial assets	7.2	834	774
(c) Other current assets	8	2,535	3,037
Total current assets		79,971	69,432
Total assets		1,38,089	1,12,849
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	14	2,342	2,012
(b) Other equity	15	71,198	44,136
Total equity		73,540	46,148
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	-	968
(ii) Lease liabilities	39	949	154
(iii) Other financial liabilities	17	-	29
(b) Provisions	18	2,381	2,230
Total non-current liabilities		3,330	3,381
3 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16	30,113	26,818
(ii) Lease liabilities	39	129	119
(iii) Trade payables	20		
(a) total outstanding dues of micro enterprises and small enterprises		2,780	5,809
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		22,353	22,769
(iv) Other financial liabilities	17	4,025	3,106
(b) Other current liabilities	21	1,158	3,890
(c) Provisions	18	555	660
(d) Current tax liabilities (net)	13.2	106	149
Total current liabilities		61,219	63,320
Total liabilities		64,549	66,701
Total equity and liabilities		1,38,089	1,12,849

See accompanying notes forming part of the standalone financial statements

As per our Report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Place : Hyderabad
Date : May 4, 2026

Standalone Statement of Profit and Loss

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
I INCOME			
Revenue from operations	22	1,50,721	1,25,189
Other income	23	809	988
Total income		1,51,530	1,26,177
II EXPENSES			
Cost of raw materials and packing materials consumed	24	1,02,767	83,522
Purchases of traded goods		2,875	4,630
Changes in inventories of finished goods, work-in-progress and traded goods	25	(2,167)	7,499
Employee benefits expense	26	15,192	13,993
Finance costs	27	3,725	4,948
Depreciation and amortisation expense	28	2,133	1,930
Other expenses	29	22,997	22,231
Total expenses		1,47,522	1,38,753
III Profit/(Loss) before exceptional items and tax (I - II)		4,008	(12,576)
IV Exceptional items	41	(1,028)	2,926
V Profit/(loss) before tax (III - IV)		2,980	(9,650)
VI Tax expense			
(i) Current tax	13.3	-	-
(ii) Deferred tax	13.3	706	(2,342)
Total tax expense		706	(2,342)
VII Profit/(loss) for the year (V - VI)		2,274	(7,308)
VIII Other comprehensive loss			
Items that will not be reclassified to profit or loss			
(a) Remeasurement gain/(loss) of defined benefit obligation	32	(21)	(405)
(b) Income tax relating to items that will not be reclassified to profit or loss	13.3	5	102
Items that will be reclassified to profit or loss			
(a) Effective portion of cash flow hedges		-	(21)
(b) Income tax relating to items that will be reclassified to profit or loss	13.3	-	5
Total other comprehensive income/(loss) for the year, net of tax		(16)	(319)
IX Total comprehensive income/(loss) for the year (VII + VIII)		2,258	(7,627)
X Earnings/(loss) per equity share of face value of ₹ 1 each			
Basic (₹)	36	1.04	(3.39)
Diluted (₹)	36	1.04	(3.39)

See accompanying notes forming part of the standalone financial statements

As per our Report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Place : Hyderabad
Date : May 4, 2026

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Standalone Statement of Cash flow

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	2,980	(9,650)
Adjustments to reconcile profit/(loss) before tax to net cashflows:		
Depreciation and amortisation expense	2,133	1,930
Finance costs	3,725	4,948
Gain on termination of lease	(13)	-
Interest income	(453)	(304)
Exceptional item	1,028	-
Impairment allowances on trade receivables	2,985	4,266
Net loss on disposal of property, plant and equipment	51	62
Impairment of non-current assets	200	298
Share-based payments	64	42
Unwinding of Guarantee commission	(62)	(45)
Unrealised forex loss / (gain) (net)	(118)	(43)
Operating profit/(loss) before working capital changes	12,520	1,504
Working capital adjustments		
(Increase)/Decrease in Inventories	(114)	7,751
(Increase)/Decrease in Trade receivables	(18,036)	38,456
(Increase)/Decrease in Other assets	323	4,151
Increase/(Decrease) in Trade payables	(3,730)	(2,180)
Increase/(Decrease) in Provisions	25	441
Increase/(Decrease) in Other liabilities	(2,004)	(5,143)
Cash generated from operations	(11,016)	44,980
Income taxes paid (net of refunds)	595	(113)
Net cashflows from/(used in) operating activities (A)	(10,421)	44,867
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets including capital work-in-progress and intangible assets under development	(2,629)	(2,659)
Proceeds from sale of property, plant and equipment	17	1
Investment in subsidiaries	(10,300)	
Loans given to subsidiaries	(2,812)	(2,147)
Movement in other short term deposits and margin money (net)	(2,968)	3,155
Interest income received	86	275
Net cash used in investing activities (B)	(18,606)	(1,375)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from exercise of employee stock options	311	86
Proceeds from issue of shares via rights issue	24,929	-
Transaction costs on issue of shares	(170)	-
Proceeds from preferential allotment	-	1,000
Proceeds from non-current borrowings	1,000	-
Repayment of non-current borrowings	(4,926)	(5,420)
Movement in current borrowings (net)	6,148	(31,428)
Payment of lease liabilities including interest	(198)	(160)
Finance costs paid	(3,580)	(5,054)
Net cash flows from/(used in) financing activities (C)	23,514	(40,976)
Net increase/(decrease) in cash and cash equivalents (D) = (A+B+C)	(5,513)	2,516
Cash and cash equivalents at the beginning of the year (E)	5,718	3,198
Effect of movements in exchange rates on cash and cash equivalents (F)	6	4
Cash and cash equivalents at the end of the year (G) = (D)+(E)+(F) (Refer Note 11)	211	5,718

Standalone Statement of Cash flow

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Notes:

1. Reconciliation of liabilities from financing activities

Particulars	As at April 1, 2025	Proceeds	Payments	Non-cash movement*	As at March 31, 2026
Non-current borrowings	3,952	1,000	(4,926)	(26)	-
Current borrowings (net)	23,834	6,148	-	131	30,113
Lease liabilities	273	-	(198)	1,003	1,078
Interest on lease liabilities	-	-	(65)	65	-
Total liabilities from financing activities	28,059	7,148	(5,189)	1,173	31,191

Reconciliation of liabilities from financing activities

Particulars	As at April 1, 2024	Proceeds	Payments	Non-cash movement*	As at March 31, 2025
Non-current borrowings	9,512	-	(5,420)	(140)	3,952
Current borrowings (net)	55,275	-	(31,428)	(13)	23,834
Lease liabilities	43	-	(133)	363	273
Interest on lease liabilities	-	-	(27)	27	-
Total liabilities from financing activities	64,830	-	(37,008)	237	28,059

*Non-cash movement for borrowings represents interest accrued amount, effect of changes in foreign exchange rate and for lease liabilities represents additions to the leases.

- Non-cash investing activities includes acquisition of Right-of-use assets for ₹1,154 Lakhs (2025: ₹363 Lakhs)
- Statement of Cash flows has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash flows. Cash and cash equivalents in the Statement of Cash flows comprise cash in hand and balances with banks.

See accompanying notes forming part of the standalone financial statements

As per our Report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Place : Hyderabad
Date : May 4, 2026

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Standalone Statement of changes in equity

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹ LAKHS, UNLESS OTHERWISE STATED)

A. Equity share capital (Refer Note 14)

Particulars	Number of shares	Amount
Balance as at April 1, 2024	19,91,69,177	1,992
Changes in equity share capital during the year	20,33,970	20
Balance as at March 31, 2025	20,12,03,147	2,012
Balance as at April 1, 2025	20,12,03,147	2,012
Changes in equity share capital during the year	3,29,75,183	330
Balance as at March 31, 2026	23,41,78,330	2,342

B. Other equity (Refer Note 15)

Particulars	Reserves and surplus				Items of other comprehensive income		Total
	General reserve	Securities premium	Share based payment reserve	Retained earnings	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	
Balance as at April 1, 2024	4,175	13,914	269	32,780	(499)	16	50,655
Loss for the year	-	-	-	(7,308)	-	-	(7,308)
Other Comprehensive loss for the year, net of tax	-	-	-	(303)	-	(16)	(319)
Total comprehensive loss for the year	-	-	-	(7,611)	-	(16)	(7,627)
Share based payments (Refer Note 14)	-	-	42	-	-	-	42
Issue of equity shares on preferential allotment	-	983	-	-	-	-	983
Issue of equity shares on exercise of employee stock options	-	153	(70)	-	-	-	83
Balance as at March 31, 2025	4,175	15,050	241	25,169	(499)	-	44,136
Balance as at April 1, 2025	4,175	15,050	241	25,169	(499)	-	44,136
Profit for the year	-	-	-	2,274	-	-	2,274
Other Comprehensive loss for the year, net of tax	-	-	-	(16)	-	-	(16)
Total comprehensive income for the year	-	-	-	2,258	-	-	2,258
Share based payments (Refer Note 14)	-	-	64	-	-	-	64
Issue of share capital via rights issue (Refer Note 42)	-	24,604	-	-	-	-	24,604
Less: Rights issue expenses	-	(170)	-	-	-	-	(170)
Issue of equity shares on exercise of employee stock options	-	480	(174)	-	-	-	306
Balance as at March 31, 2026	4,175	39,964	131	27,427	(499)	-	71,198

See accompanying notes forming part of the standalone financial statements

As per our Report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Place : Hyderabad
Date : May 4, 2026

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

1. Corporate information

NACL Industries Limited (CIN: L24219TG1986PLC016607) ("the Company") is a limited company incorporated in India, equity shares of which are listed on the Bombay Stock Exchange and the National Stock Exchange in India.

Pursuant to (i) share purchase agreement dated March 12, 2025 among Coromandel International Limited ("CIL") (CIN: L24120TG1961PLC000892), KLR Products Limited, Mrs. Kanumuru Lakshmi Raju and Bright Town Investment Advisor Private Limited ("Promoter SPA"); (ii) share purchase agreement dated March 12, 2025 among CIL and M/s. Agro Life Science Corporation; (iii) share purchase agreement dated March 12, 2025 among CIL and M/s. Krishi Rasayan Exports Private Limited; and (iv) the mandatory open offer made by CIL to the public shareholders of NACL in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"), CIL has acquired in aggregate 10,69,12,581 equity shares of NACL representing 53.08% of the voting share capital of NACL. Consequently, CIL has acquired control of NACL and became the promoter of NACL and NACL has become a subsidiary of CIL with effect from August 8, 2025.

The address of Company's registered office is "Coromandel House", 1-2-10, Sardar Patel Road, Secunderabad - 500003, Telangana. The Company is engaged in the business of manufacturing and trading of crop protection and manufactures both Technicals (Active Ingredient) and Formulations. It manufactures all kinds of pesticides, insecticides, acaricides, herbicides, fungicides and other plant growth chemicals. The Company's formulation business is mainly in the Indian market and sells through its large retail dealer network spread across India. The Company has a range of branded formulations. It also exports technicals and formulations and does toll manufacture for certain multinational companies.

The Standalone financial statements were approved for issue in accordance with a resolution passed by the Board of Directors of the Company on May 4, 2026.

2. Basis of preparation and presentation

The Standalone financial statements which comprise the Standalone Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, and the Statement of Changes in Equity ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, (as amended) along with the presentation requirements of Division II of Schedule III to the Act (Ind-AS compliant Schedule III), as applicable.

The Standalone financial statements have been prepared on the historical cost basis except for certain financial instruments including derivative financial instrument that are measured at fair values at the end of each reporting period, Equity settled ESOP at grant date fair value and Defined benefit plans, and on accrual basis.

The Company has prepared the Standalone financial Statements on the basis that it will continue to operate as a going concern.

3. Material accounting policies

3.1 Current and Non-Current

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

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

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there exists no right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date,

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.3 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 3.25.1.

- a) Sale of goods is recognised net of returns and trade discounts, volume discounts, scheme allowances and price concessions (as specified in the contracts with customers) when the control over the goods is transferred to the customers. Accruals for discounts/incentives are estimated using the most likely method based on accumulated experience and underlying schemes and agreements with customers. The performance obligation in case

of sale of goods is satisfied at a point in time i.e., when the goods are shipped to the customers or on delivery to the customer, as per applicable terms.

- b) For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data related to sale returns. In these circumstances, a refund liability and a right to return assets are recognised. The right to return assets is measured at the former carrying amount of the inventory less any expected costs to recover goods. The refund liability is adjusted against trade receivables and the right to return assets is included in inventories. The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.
- c) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered by measuring progress towards satisfaction of performance obligation for such services over a period of time.
- d) Export benefits and other excise benefits are accounted for on accrual basis.
- e) Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the Customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Trade Receivable represents the Company's right to an amount of consideration that is unconditional.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.4 Other operating revenue

Revenue from operations includes "Other Operating Revenue" which consists of export incentives, interest on overdue trade receivables, scrap and by-products sales.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and the Company will comply with the

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

conditions associated with the relevant scheme. Interest on overdue trade receivables is accrued on a time basis, by reference to the outstanding overdue trade receivables.

Interest on overdue trade receivables are accounted in accordance with contractual terms agreed with customers.

3.5 Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.6 Leases

As a Lessee: The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line basis over the shorter of the lease term and the estimated useful life of the assets from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The Average lease term for different categories of leasehold assets are as follows: -

Particulars	Lease term
Building	3-6 years

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under

residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

3.7 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e., the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company and rounded to the nearest Lakhs.

3.8 Foreign currencies

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies shall be translated using the exchange rate at the date of the transaction..

3.9 Employee benefits

3.9.1 Defined contribution plans

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. Contributions in respect of Employees Provident Fund, Employee's State Insurance scheme and Pension Fund which are defined contribution schemes, are made to a fund administered through Regional Provident Fund Commissioner and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

3.9.2 Defined benefit plans

The Company's Gratuity scheme for its employees is a defined benefit retirement plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), are reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

3.9.3 Short-term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilised accrued compensated absence and utilise it in future periods or receive cash compensation at retirement or termination of employment for the unutilised accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence based on actuarial valuation made by an independent actuary as at the standalone balance sheet date on projected unit credit method. Compensated absences expected to be maturing after 12 months from the date of balance sheet are classified as non-current.

3.10 Share-based payment arrangements

Equity-settled share-based payments to employees providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in share-based payments reserve. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

3.11 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year adjusted for the effects of rights issue.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares and for the effects of rights issue.

3.12 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

• Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

• Deferred tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of

taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company.

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.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3.13 Property, plant and equipment and capital work-in-progress

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use.

On transition to Ind AS, the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Depreciation is provided on straight-line method as per the useful life prescribed in Schedule II to the 2013 Act. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use/(disposed off).

The estimated useful lives of property, plant and equipment are as follows:

Asset	Useful lives (in years)
Plant and equipment	15-20
Buildings	30-60
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Computers	3-6

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Freehold land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

3.14 Intangible assets and Intangible assets under development

Intangible assets are carried at cost, net of accumulated amortization and accumulated impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortized over individual estimated useful lives using straight-line method. The estimated useful life of an identifiable intangible asset is as under:

Asset	Useful lives (in years)
Computer software	3
Internally developed products	3

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

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

Intangible assets under development are carried at cost, net of accumulated impairment loss, if any, comprising direct cost and related incidental expenses. Intangible assets under development are capitalised only when technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use the asset and the costs can be measured reliably. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and these future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognised in profit or loss as incurred.

3.15 Impairment

- Property, Plant and Equipment, CWIP and Intangible assets

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if the carrying amount exceeds the recoverable amount, impairment is recognized in profit or loss. The recoverable amount is the higher of Fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognized impairment loss no longer exists or may have decreased such reversal of impairment loss is recognized in the profit or loss.

Intangible assets under development are tested annually for impairment.

- Impairment of Investments

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. The recoverable amount is the higher of Fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor.

3.16 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress, traded goods & packing materials and finished goods and are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw material, stores and spares and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

- Finished goods and work-in-process: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on moving weighted average cost of production.

- Traded Goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost.

3.17 Cash and Cash equivalents

Cash comprises cash on hand, in bank and demand deposits with banks and with financial institutions. The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

3.18 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. 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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.20 Financial assets

3.20.1 Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer note 3.3.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.20.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when

the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

3.20.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.20.4 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates.

In addition to the provision matrix, the Company also performs individual assessment of credit risk for specific customers where there is objective evidence of increased credit risk. Where such individual assessment indicates that a trade receivable meets the criteria for being classified as credit impaired under Ind AS 109, the Company recognises a loss allowance based on lifetime ECL and discloses such credit impaired trade receivables separately in the standalone balance sheet.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default;
- it is probable that the debtor will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for a security because of financial difficulties.

The ECL loss allowance (or reversal) during the year is recognised in the standalone statement of profit and loss.

Write-off:

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has

policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

3.21 Financial liabilities

3.21.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

3.21.2 Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.21.3 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

3.21.4 Derecognition

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

3.22 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.23 Derivative financial instruments and hedge accounting

3.23.1 Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the balance sheet.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

3.24 Dividend

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

3.25 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates

and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the standalone financial statements:

Contingencies

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.25.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful live, residual value of property, plant and equipment	The Company reviews the estimated useful live, residual value of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Impairment of intangible asset under development	The Company capitalises intangible asset under development for projects in accordance with the accounting policy. In determining the amounts to be capitalised, Management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.
Fair value measurements	Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.
Revenue recognition	The Company provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Refund liability	The Company accepts sales returns as per the policy. Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.
Provision for expected credit losses of trade receivables	The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
Estimation of net realisable value of inventories	Inventories are valued at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Leases	Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.26 Recent pronouncements

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments have not resulted in additional disclosures and have not had an impact on the classification of Company's liabilities.

ii. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the

characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments have not resulted in additional disclosures and have not had an impact on the classification of Company's liabilities.

iii. There are certain other amendments to Ind AS 12 Income Taxes and Ind AS 21 The Effects of Changes in Foreign Exchange Rates, which did not have any impact on the Company.

3.27 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date. The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

4. Property, plant and equipment and capital work-in-progress

4.1 Movement of Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Cost or deemed cost								
Balance as at April 1, 2024	2,512	7,524	46,195	685	200	372	781	58,269
Add: Additions	-	140	1,166	15	-	36	73	1,430
Less: Disposals	-	11	3,223	11	-	3	7	3,255
Balance as at March 31, 2025	2,512	7,653	44,138	689	200	405	847	56,444
Add: Additions	16	162	972	470	55	284	167	2,126
Less: Disposals	-	20	291	165	56	97	82	711
Balance as at March 31, 2026	2,528	7,795	44,819	994	199	592	932	57,859

Accumulated depreciation:

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at April 1, 2024	-	2,888	30,585	583	96	258	579	34,989
Add: Depreciation	-	217	1,195	10	20	30	95	1,567
Less: Disposals	-	9	3,163	11	-	3	6	3,192
Balance as at March 31, 2025	-	3,096	28,617	582	116	285	668	33,364
Add: Depreciation	-	221	1,243	11	20	32	83	1,610
Less: Disposals	-	5	283	154	36	87	78	643
Balance as at March 31, 2026	-	3,312	29,577	439	100	230	673	34,331

Net book value:

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Net book value as at March 31, 2026	2,528	4,483	15,242	555	99	362	259	23,528
Net book value as at March 31, 2025	2,512	4,557	15,521	107	84	120	179	23,080

Notes:

- Property, plant and equipment includes carrying amount of ₹ 3,134 lakhs (March 31, 2025: ₹ 3,045 lakhs), additions amounting to ₹ 134 lakhs (March 31, 2025: ₹ 610 lakh) and net carrying amounting to ₹ 1,502 lakhs (March 31, 2025: ₹ 1,525 lakhs) in respect of in-house research and development.
- Refer Note 16 for details of property, plant and equipment hypothecated or pledged.
- For details of contractual commitments, refer note 31C

4.2 Capital work-in-progress (CWIP) movement schedule

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	724	786
Add: Additions during the year	1,664	1,038
Less: Capitalisations during the year	1,892	1,100
Balance as at the end of the year	496	724

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Ageing for capital work-in-progress as at March 31, 2026 is as follows:

Particulars	Amount of capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	452	35	-	9	496
Projects temporarily suspended	-	-	-	-	-
Total	452	35	-	9	496

Projects whose completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2026:

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Assets expansion	-	35	-	9	44
Total	-	35	-	9	44

There are no projects where completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2026, other than as disclosed above.

Ageing for capital work-in-progress as at March 31, 2025 is as follows:

Particulars	Amount of capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	430	285	-	9	724
Projects temporarily suspended	-	-	-	-	-
Total	430	285	-	9	724

Projects whose completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2025:

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Assets expansion	320	285	-	9	614
Total	320	285	-	9	614

There are no projects where completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2025, other than as disclosed above.

4A. Right of use assets

4A.1 Carrying amounts of:

Particulars	As at March 31, 2026	As at March 31, 2025
Buildings	1,046	262
Total	1,046	262

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

4A.2 Movement of Right of use assets:

Particulars	Buildings	Vehicles	Total
Carrying amounts			
Balance as at April 1, 2024	517	236	753
Add: Additions	363	-	363
Less: Disposals	517	236	753
Balance as at March 31, 2025	363	-	363
Add: Additions	1,154	-	1,154
Less: Disposals	363	-	363
Balance as at March 31, 2026	1,154	-	1,154

4A.3 Accumulated depreciation:

Particulars	Buildings	Vehicles	Total
Balance as at April 1, 2024	491	222	713
Add: Depreciation expense	127	14	141
Less: Disposals	517	236	753
Balance as at March 31, 2025	101	-	101
Add: Depreciation expense	219	-	219
Less: Disposals	212	-	212
Balance as at March 31, 2026	108	-	108

4A.4 Net Carrying amounts:

Particulars	Buildings	Vehicles	Total
Balance as at March 31, 2026	1,046	-	1,046
Balance as at March 31, 2025	262	-	262

5. Intangible assets and intangible assets under development (IAUD)

Carrying amounts of:

Particulars	As at March 31, 2026	As at March 31, 2025
Computer software	-	-
Product registrations	1,023	705
Total	1,023	705

5.1 Details of intangible assets

Particulars	Computer software	Product registrations	Total
Cost			
Balance as at April 1, 2024	379	1,353	1,732
Add: Additions	-	493	493
Less: Disposals	-	-	-
Balance as at March 31, 2025	379	1,846	2,225
Add: Additions	-	666	666
Less: Disposals	-	-	-
Balance as at March 31, 2026	379	2,512	2,891

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Accumulated amortisation:

Particulars	Computer software	Product registrations	Total
Balance as at April 1, 2024	379	877	1,256
Add: Amortisation	-	264	264
Less: Disposals	-	-	-
Balance as at March 31, 2025	379	1,141	1,520
Add: Amortisation	-	348	348
Less: Disposals	-	-	-
Balance as at March 31, 2026	379	1,489	1,868

Net Carrying amounts:

Particulars	Computer software	Product registrations	Total
Balance as at March 31, 2026	-	1,023	1,023
Balance as at March 31, 2025	-	705	705

5.2 Intangible assets under development

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	2,116	1,840
Add: Additions during the year	915	1,067
Less: Capitalisations during the year	666	493
Less: Impaired during the year	1,228	298
Balance as at the end of the year	1,137	2,116

Intangible Assets under development Ageing Schedule*

As at March 31, 2026

Particulars	Amount of Intangible assets under development for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	475	416	200	46	1,137
Projects temporarily suspended	-	-	-	-	-
Total	475	416	200	46	1,137

As at March 31, 2025

Particulars	Amount of Intangible assets under development for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	759	459	511	387	2,116
Projects temporarily suspended	-	-	-	-	-
Total	759	459	511	387	2,116

*Intangible Assets under development in the nature of product registration generally takes 4 to 5 years of development time.

Note:

- All IAUD require certain milestones to be achieved which include receipt of approvals from relevant authority. The age of respective IAUD is within the time period such milestones would take and accordingly, the management has considered that there are no delays in executing respective IAUD projects. Further, these IAUD projects have not exceeded the budgeted cost.
- Refer note 38 for capitalisation of development expenditure.
- Refer note 41 for IAUD impaired during the year.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

6. Non-current investments

Particulars	Nominal value	As at March 31, 2026		As at March 31, 2025	
		Number of shares	Amount	Number of shares	Amount
Trade					
Unquoted equity investments (all fully paid)					
(a) Investment in subsidiaries at cost					
Nagarjuna Agrichem (Australia) Pty Limited	AUD 1	64,734	32	64,734	32
LR Research Laboratories Private Limited	₹10	10,000	1	10,000	1
NACL Spec-Chem Limited [Refer note (i) below]	₹1	2,00,00,000	451	2,00,00,000	451
NACL Multi-Chem Private Limited	₹1	1,00,000	1	1,00,000	1
NACL Agri-Solutions Private Limited	₹1	1,00,00,000	100	1,00,00,000	100
NACL Industries (Nigeria) Limited [Refer note (iii) below]	-	-	-	-	-
(b) Investment in associate at cost					
Nasense Labs Private Limited	₹10	61,27,513	816	61,27,513	816
(c) Other equity investment at fair value through other comprehensive income					
SVC Co-operative Bank Limited	₹25	100	*	100	*
Total equity investments (A)			1,401		1,401
Unquoted investment in preference shares at fair value through other comprehensive income					
Nagaarjuna Shubho Green Technologies Private Limited					
10% cumulative redeemable preference shares	₹100	5,00,000	500	5,00,000	500
Less: Impairment allowance			(499)		(499)
Total other investments (B)			1		1
Unquoted investment in compulsory convertible debentures carried at cost					
NACL Spec-Chem Limited					
0.01% cumulative convertible debentures [Refer note (ii) below]	₹1,00,000	24,795	24,795	9,300	9,300
NACL Multi-Chem Limited					
0.01% cumulative convertible debentures	₹1,00,000	735	735	735	735
Total other investments (C)			25,530		10,035
Total unquoted investments (A) + (B) + (C)			26,932		11,437
Aggregate value of unquoted investments			26,932		11,437
Aggregate amount of impairment in value of investments			499		499

*less than a lakh

Notes:

- Includes guarantee provided by the Company during FY 2021-22 to its wholly owned subsidiary NACL Spec-chem Limited, without charging any commission. The fair value of the guarantee commission of ₹251 lakhs was accounted as deemed investments and added to the cost of investments held in the subsidiary.
- The Company subscribed to Compulsory Convertible Debentures (CCD) of ₹10,300 lakhs (March 31, 2025: ₹9,300 lakhs) [comprising of 10,300 (March 31, 2025: 9,300 number)] number of CCD of ₹1,00,000 each) during the FY 2025-26 and also converted outstanding loans (including interest) of Rs. 5,195 lakhs into CCDs (also refer note 7). The Company during the current year has extended the tenure of CCDs amounting ₹3,000 lakhs which had maturity date in current year, for further tenor of two years.
- The Company is yet to transfer funds towards share capital of NACL Industries (Nigeria) Limited as on March 31, 2026.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

7.1 Loans (at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Loans to related parties (Refer note 30)		
- Loan receivables considered good - Unsecured	82	76
Total	82	76
Current		
Loans to related parties (Refer note 30)		
- Loan receivables considered good - Unsecured	-	2,093
Total	-	2,093

Loans outstanding from subsidiaries*

Particulars	As at March 31, 2026	As at March 31, 2025
NACL Spec-Chem Limited	-	2,093
Unsecured loan given to NACL Spec-chem Limited carried interest rate of 7.50% p.a. to 10% p.a. During the current year, the Company had renewed loans amounting to ₹2,235 lakhs (including interest) for two years. However, subsequently, all the loans outstanding amounting to ₹5,195 lakhs (including interest) have been converted into 5,195 CCDs for a tenure of 5 years. The Company has also extended the tenure of CCDs amounting ₹3,000 lakhs which had maturity date in current year, for further tenor of two years (refer note 6).		

Particulars	As at March 31, 2026	As at March 31, 2025
NACL Multichem Private Limited	38	35
Unsecured loan is given to NACL Multichem Private Limited of ₹35 lakhs at an interest rate of 10% p.a., with repayment due on or before March 14, 2027. Interest accrued is included in above loan receivables.		

Particulars	As at March 31, 2026	As at March 31, 2025
NACL Agri-Solutions Private Limited	44	41
Unsecured loan is given to NACL Agri-Solutions Private Limited of ₹40 lakhs at an interest rate of 10% p.a., with repayment due on or before December 24, 2026. Interest accrued is included in above loan receivables.		

*These loans have been granted to the above entities to meet their operating & business requirements.

Note:

- The company does not have any loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- Maximum amount outstanding (including interest accrued) at any time during the year:

Particulars	As at March 31, 2026	As at March 31, 2025
NACL Spec-Chem Limited	5,195	2,093
NACL Multichem Private Limited	38	35
NACL Agri-Solutions Private Limited	44	41

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

7.2 Other financial assets (at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	598	538
Total	598	538
Current		
Other receivables from related parties (Refer note 30)	834	774
Total	834	774

8. Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	165	71
Balance with government authorities	76	150
Prepayments	26	7
Total	267	228
Current		
Advance to suppliers	551	1,009
Balance with government authorities	1,311	1,283
Prepayments	462	516
Export Incentive receivable	201	217
Advance to employees	10	12
Total	2,535	3,037

9. Inventories (at the lower of cost and net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials (Refer note (i) below)	9,720	11,906
Work-in-progress	1,742	1,459
Finished goods (Refer note (ii) below)	11,969	9,699
Traded goods	1,236	1,622
Stores and spares	1,146	806
Right to return assets (Refer note 43)	541	748
Total	26,354	26,240

Notes:

- (i) Raw materials includes goods-in-transit of ₹3,040 lakhs (March 31, 2025: ₹6,640 lakhs).
- (ii) The cost of finished goods recognised as an expense includes provision for near expiry stock aggregated to ₹110 lakhs (March 31, 2025: ₹120 lakhs), write off on account of expired stock aggregated to ₹308 lakhs (March 31, 2025: ₹171 lakhs).
- (iii) Refer Note 16 for details of Inventories hypothecated or pledged.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

10. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
(a) Trade receivables Considered good - Secured	1,242	1,073
(b) Trade receivables Considered good - Unsecured	44,828	32,692
(c) Trade receivables – credit impaired	10,752	3,122
	56,822	36,887
Less: Impairment allowance	9,976	5,520
Total	46,846	31,367

Refer note 30 for balance receivable from related parties.

- (i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member, other than as disclosed above.
- (ii) Refer note 16 for details of trade receivables hypothecated or pledged.
- (iii) In accordance with Ind AS 109, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates. Accordingly, the Company creates provision for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals.
- (iv) Ageing for trade receivables as at March 31, 2026 is as follows:

Particulars	Unbilled	Not due	Amount of capital work-in-progress for the period of					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables								
Undisputed trade receivables – considered good	1,196	26,978	12,756	1,867	3,273	-	-	46,070
Undisputed trade receivables – credit impaired	-	-	-	505	302	360	-	1,167
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	7	178	6,107	3,293	-	9,585
	1,196	26,978	12,763	2,550	9,682	3,653	-	56,822
Less: Loss allowance								(9,976)
								46,846

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Ageing for trade receivables as at March 31, 2025 is as follows:

Particulars	Unbilled	Not due	Amount of capital work-in-progress for the period of					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables								
Undisputed trade receivables – considered good	1,273	12,690	11,596	5,665	2,541	-	-	33,765
Undisputed trade receivables – credit impaired	-	-	-	1,272	159	191	-	1,622
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	1,500	-	-	1,500
	1,273	12,690	11,596	6,937	4,200	191	-	36,887
Less: Loss allowance								(5,520)
								31,367

(v) Movement in Impairment loss on trade receivables

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	5,520	1,941
Provision for impairment loss made during the year*	4,957	4,123
Provision reversed against trade receivables write-off / recovery	(501)	(544)
Balance at the end of the year	9,976	5,520

*includes regrouping of ₹1,972 lakhs (March 31, 2025 ₹ Nil).

11. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	3	6
Balances with banks		
in Current accounts	22	519
in Cash credit accounts	50	4,828
in Export earning foreign currency accounts	136	365
Total	211	5,718

12. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
In earmarked accounts		
Unclaimed dividend accounts [Refer note (i) below]	51	61
Margin money / deposit [Refer note (ii) below]	3,140	142
Total	3,191	203

Notes:**(i) Unclaimed dividend accounts**

(a) If the dividend has not been claimed within 30 days from the date of declaration, the Company is required to transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company with a scheduled

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

(b) During the year, there has been a delay in transfer of unpaid dividend in respect of final dividend of FY 2017-18 amounting to ₹5 lakhs to the IEPF for the year ended March 31, 2026, which was due in September 2025. The Company has transferred the said amount to IEPF on January 29, 2026.

Further, During FY 2024-25, there has been a delay in transfer of unpaid dividend in respect of final dividend of FY 2016-17 amounting to ₹4 lakhs to the IEPF for the year ended March 31, 2025, which was due in September 2024. The Company has transferred the said amount to IEPF on September 18, 2025.

(ii) Margin money / deposit

Margin money represents amounts deposited with banks as security against bank guarantees issued to various authorities and unutilized proceeds from rights issue of ₹3,080 lakhs deposited in earmarked bank account, pending utilization for general corporate purpose (refer note 42).

13. Income tax**13.1 income tax assets (net)**

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets	622	1,163

13.2 Current income tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current income tax liabilities (net)	106	149

13.3 Tax expense**A. Income tax expense recognised in the statement of profit and loss**

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax		
In respect of current year	-	-
Total (A)	-	-
Deferred tax		
Origination and reversal of temporary differences	706	(2,342)
Total (B)	706	(2,342)
Total tax expense (A+B)	706	(2,342)

B. Deferred tax benefit/ (expense) recognised in the other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax benefit/ (expense) recognised directly in equity consists of:		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit obligation	5	102
Items that will be reclassified to profit or loss		
Effective portion of loss on designated portion of hedging instrument in a cash flow hedge	-	5
Total	5	107

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

C. Reconciliation of effective tax rate

Particulars	As at March 31, 2026	As at March 31, 2025
Accounting profit / (loss) before tax	2,980	(9,650)
Statutory tax rate	25.17%	25.17%
Tax expenses at statutory tax rate	750	(2,429)
Adjustments:		
Effect of expenses that are not deductible in determining taxable profit	(49)	72
Others	5	15
Income tax expense	706	(2,342)

14. Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital:	25,00,00,000	2,500	25,00,00,000	2,500
Fully paid up equity shares of ₹1 each				
Issued, subscribed and fully paid up capital:	23,41,78,330	2,342	20,12,03,147	2,012
Fully paid up equity shares of ₹ 1 each				
	23,41,78,330	2,342	20,12,03,147	2,012

Notes:

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

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	20,12,03,147	2,012	19,91,69,177	1,992
Add: Issue of equity shares under Company's employee stock option plan	4,73,332	5	3,09,833	3
Add: Issue of equity shares under Preferential allotment	-	-	17,24,137	17
Add: Issue of equity shares under rights issue (Refer note 42)	3,25,01,851	325	-	-
Balance at the end of the year	23,41,78,330	2,342	20,12,03,147	2,012

14.2 Rights, preferences and restrictions attached to equity shares:

The Company has only one class of issued, subscribed and fully paid up equity shares having a face value of ₹ 1 each per share. Each holder of equity shares is entitled to one vote per share. The dividend (other than interim dividend) proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

14.3 Shares held by holding/ultimate holding company (i.e., parent of the Group)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Coromandel International Limited (Holding Company w.e.f August 8, 2025)	12,57,36,882	1,257	-	-
KLR Products Limited (Holding Company and Ultimate Holding Company upto August 8, 2025)	-	-	11,36,23,500	1,136

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

14.4 Details of Promoter shareholdings:

As at 31 March 2026

Promoter Name	No. of shares at the commencement of the year	% of total shares	No. of shares at the end of the year	% of total shares	% change during the year
Promoter					
Coromandel International Limited (Holding Company w.e.f August 8, 2025)	-	0.00%	12,57,36,882	53.69%	53.69%
KLR Products Limited (Holding Company and Ultimate Holding Company upto August 8, 2025)	11,36,23,500	56.47%	78,27,354	3.34%	-53.13%
Promoter Group					
M A Alagappan Holdings Private Limited (w.e.f August 8, 2025)	-	0.00%	2,588	0.00%	0.00%
M A Murugappan Holdings LLP (w.e.f August 8, 2025)	-	0.00%	3,664	0.00%	0.00%
Arun Murugappan Children's Trust (M A M Arunachalam & Sigappi Arunachalam are Trustees) (w.e.f August 8, 2025)	-	0.00%	3,209	0.00%	0.00%
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, M A M Arunachalam & A M Meyyammaiare Trustees) (w.e.f August 8, 2025)	-	0.00%	4,202	0.00%	0.00%
Mrs. K Lakshmi Raju (upto August 8, 2025)	1,27,05,860	6.31%	1,47,55,172	6.30%	-0.01%
Bright Town Investment Advisor Private Limited (upto August 8, 2025)	5,86,499	0.29%	6,82,999	0.29%	0.00%

As at 31 March 2025

Promoter Name	No. of shares at the commencement of the year	% of total shares	No. of shares at the end of the year	% of total shares	% change during the year
KLR Products Limited	11,36,23,500	57.05%	11,36,23,500	56.47%	-0.58%
Mrs. K Lakshmi Raju	1,27,05,860	6.38%	1,27,05,860	6.31%	-0.06%
Bright Town Investment Advisor Private Limited	5,86,499	0.29%	5,86,499	0.29%	0.00%

14.5 Details of shares held by each shareholder holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
Coromandel International Limited (Holding Company w.e.f August 8th, 2025)	12,57,36,882	53.69%	-	0.00%
KLR Products Limited (Holding Company and Ultimate Holding Company upto August 8th, 2025)	-	0.00%	11,36,23,500	56.47%
Mrs. K Lakshmi Raju	1,47,55,172	6.30%	1,27,05,860	6.31%
Krishi Rasayan Exports Private Limited	1,83,69,655	7.84%	1,56,25,000	7.77%
Rajesh Kumar Agarwal	1,83,69,655	7.84%	1,56,25,000	7.77%

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

14.6 Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Under Employee Stock Option Scheme - 2015 (11,50,000 equity shares of INR 1 each)	-	-	-	-
Under Employee Stock Option Scheme - 2020 (25,00,000 equity shares of INR 1 each)	4,31,664	4	10,93,328	11

14.6.1 Nagarjuna Agrichem Limited-Employee Stock Option Scheme-2015

- The Company set up the "Nagarjuna Agrichem Limited-Employee Stock Option Scheme-2015" (hereinafter referred to as "ESOS-2015") and earmarked 11,50,000 number of equity shares of ₹ 1 each for issue to employees. The plan was approved in financial year 2015-16 and is administered by the Nomination and Remuneration Committee of the Board of Directors.
- Under the ESOS-2015 scheme, options are granted to eligible employees at an exercise price, which shall not be less than the face value of the equity shares of the Company. These options vest over a period of one to five years subject to continuous employment and exercisable by the employees within two years of vesting. There is no performance condition attached to these options.
- Summary of employee stock options:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Options outstanding at the beginning of the year	-	-	21,500	8
Options forfeited / lapsed during the year	-	-	-	-
Options granted during the year	-	-	-	-
Options exercised during the year	-	-	(21,500)	8
Options outstanding at the end of the year	-	-	-	-
Options vested but not exercised at the end of the year	-	-	-	-

- Fair value of shares granted during the year:

During the year, there has been no options granted under this scheme and accordingly fair value measurement details are not applicable. This scheme was formally closed on 11 July 2025.

14.6.2 Nagarjuna Agrichem Limited-Employee Stock Option Scheme-2020

- The Company set up the "NACL Industries Limited-Employee Stock Option Scheme-2020" (hereinafter referred to as "ESOS-2020") and earmarked 30,00,000 number of equity shares of ₹ 1 each for issue to employees. The plan was approved in financial year 2020-21 and is administered by the Nomination and Remuneration Committee of the Board of Directors.
- Under the ESOS-2020 scheme, options are granted to eligible employees at an exercise price, which shall not be less than the face value of the equity shares of the Parent Company. These options vest over a period of one to five years subject to continuous employment and exercisable by the employees within one years of vesting. There is no performance condition attached to these options.
- Summary of employee stock options:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Options outstanding at the beginning of the year	10,73,329	61	13,03,330	59
Options granted during the year	-	-	3,70,000	50
Options forfeited / lapsed during the year	(1,68,333)	53	(3,11,668)	67

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Options exercised during the year	(4,73,332)	66	(2,88,333)	29
Options outstanding at the end of the year	4,31,664	72	10,73,329	61
Options exercisable at the end of the year	81,667	73	2,79,999	69

iv) Fair value of shares granted during the year:

Options were priced using Black-Scholes Merton options pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past years.

The following assumptions were used for calculation of fair value of grants as per Black-Scholes Merton options Pricing model:

Particulars	As at March 31, 2026	As at March 31, 2025
Risk free Interest Rate (%)	4.32 - 7.39	4.32 - 7.39
Expected life (years)	4 to 5	4 to 5
Expected volatility (%)	38.51 - 67.68	38.51 - 64.18
Dividend yield (%)	0.49 - 0.54	0.54
Price of the underlying share in market at the time of the option grant (₹)	39 - 92	39 - 92
Range of fair value of options at the grant date	18.77 - 46.37	18.77 - 46.37
Range of exercise prices for options outstanding	50 - 82	50 - 82
Weighted average remaining contractual life (in years)	0.78 - 2.63	0.91 - 4.2

Weighted average share price at the date of exercise for share options exercised during the year is ₹ 206.10 (March 31, 2025 ₹63.65)

The weighted average fair value of options granted during the year was ₹ Nil (March 31, 2025: ₹ 26.10).

For details of the related employee benefits expense, see Note 26 and for details of closing share based payment reserve, see Note 15.

14.7 There are no bonus shares issued and no shares were issued for consideration other than cash except for the shares allotted pursuant to the exercise of employee stock options during the period of five years immediately preceding the reporting date.

15. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
General reserve	4,175	4,175
Securities premium	39,964	15,050
Reserve for equity instruments through other comprehensive income	(499)	(499)
Share based payment reserve	131	241
Retained earnings	27,427	25,169
Total	71,198	44,136

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

15.1 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
General reserve		
Opening balance	4,175	4,175
Change for the year	-	-
Closing balance	4,175	4,175
Securities premium		
Opening balance	15,050	13,914
Add: Amount received on preferential allotment	-	983
Add: Amount received on rights issue	24,604	-
Less: Rights issue expenses	(170)	-
Add: Issue of equity shares on exercise of employee stock options	480	153
Closing balance	39,964	15,050
Reserve for equity instruments through other comprehensive income		
Opening balance	(499)	(499)
Change for the year	-	-
Closing balance	(499)	(499)
Share based payment reserve		
Opening balance	241	269
Add: Recognition of share based expenses	64	42
Less: Amount transferred to securities premium on exercise of employee stock options	(174)	(70)
Closing balance	131	241
Effective portion of cash flow hedge reserve		
Opening balance	-	16
Change for the year	-	(16)
Closing balance	-	-
Retained earnings		
Opening balance	25,169	32,780
Add: Profit/(loss) for the year	2,274	(7,308)
Add: Other comprehensive income arising from remeasurement of defined benefit obligation (net of taxes)	(16)	(303)
Closing balance	27,427	25,169
Total	71,198	44,136

Nature and purpose of reserves:

- a) **General Reserves:** General reserve was created through an annual transfer of profits from retained earnings in accordance with applicable regulations. General reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.
- b) **Security premium:** Security premium represents the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the relevant provisions of the Companies Act, 2013 ("Act").
- c) **Reserve for equity instruments through other comprehensive income:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in a separate reserved titled as Equity instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

- d) **Share based payment reserve:** The share based payment reserve account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. The amounts recognised in this reserve are transferred to Securities Premium when Options are exercised by the employees or they expire unexercised.
- e) **Effective portion of cash flow hedge reserve:** When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.
- f) **Retained earnings:** Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, debenture redemption or other reserve as well as dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. The amount is available for distribution to the shareholders.

16. Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Non current		
Secured - at amortised cost		
Term loans		
from banks [Refer note (a) below]	-	968
Total - non current	-	968
Current		
Secured - at amortised cost		
Repayable on demand from banks [Refer note (b) below]	30,113	20,240
Current maturities of non-current borrowings	-	2,984
Unsecured - at amortised cost		
from others [Refer note (c) below]	-	3,594
Total - current	30,113	26,818

Notes:

(a) Term loans

Corporate term loans ₹ Nil (March 31, 2025: ₹ 1,439 lakhs) are secured by first ranking pari-passu charge on present and future property, plant and equipments of the Company, second ranking pari-passu charge on present and future stock and book debts of the company

Working Capital term loans ₹ Nil (March 31, 2025: ₹ 2,513 lakhs) are secured by 100% guaranteed by National Credit Guarantee Trustee Company Limited (NCGTC), second ranking pari-passu charge on current assets and property, plant and equipments of the Company, both present and future

Above term loans carried rate of interest in the range of Marginal Cost of Funds based Lending Rate (MCLR) plus 0.30% to 3.10% p.a. These loans are fully repaid in current year.

(b) Loans repayable on demand:

Loans repayable on demand from banks (includes Cash Credit Facilities, Working capital demand loan and packing credit foreign currency facilities, buyers credit availed under non fund based limits) from various banks and financial institutions are secured by way of hypothecation of current assets comprising stock in trade, book debts and stores and spares both present and future. The aforesaid facilities are further secured by letter of comfort issued by Coromandel International Limited (Holding Company) w.e.f., January, 2026.

Rate of interest on loans repayable on demand is in the range of 6.95% to 18% p.a. (March 31, 2025: 5.80% to 18% p.a.).

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(c) Unsecured loans (others):

In previous year, the Company had availed an unsecured loan from related party (refer note 30) at an interest rate of 10% p.a. These loans are fully repaid in current year.

- (d) The Company has access to undrawn committed borrowing facilities of which ₹ 6,010 (as at March 31, 2025: ₹ 1,910 Lakhs) were unused at the end of the reporting period.

17. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Guarantee obligation	-	29
Total non-current	-	29
Current		
Capital creditors	354	120
Trade deposits from dealers	2,105	1,951
Guarantee obligation	-	33
Employee payable (Refer note 43)	1,515	941
Unclaimed dividend (Refer note 12)	51	61
Total current	4,025	3,106

18. Provisions (Refer note 32)

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity	1,873	1,713
Compensated absences	1,063	1,177
Total	2,936	2,890
Non-current provisions	2,381	2,230
Current provisions	555	660

19. Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets (net)	2,387	3,088
Total	2,387	3,088

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Property, plant and equipment	(1,918)	(1,786)
Intangible assets and Intangible assets under development	(529)	(663)

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Right of use assets	(263)	(66)
Deferred tax assets		
Employee related provisions	984	859
Loss allowances on trade receivables	2,511	1,390
Lease liabilities	271	69
Investments in preference shares measured at FVTOCI (Refer note ii below)	116	116
Unabsorbed depreciation and business loss	1,215	3,153
Others	-	16
Net deferred tax assets	2,387	3,088

Movement in deferred tax assets and liabilities for the year ended March 31, 2026

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities:				
Property, plant and equipment	(1,786)	(132)	-	(1,918)
Intangible assets and Intangible assets under development	(663)	134	-	(529)
Right of use assets	(66)	(197)	-	(263)
	(2,515)	(195)	-	(2,710)
Deferred tax assets:				
Employee related provisions	859	120	5	984
Loss allowances on trade receivables	1,390	1,121	-	2,511
Lease liabilities	69	202	-	271
Investments in preference shares measured at FVTOCI	116	-	-	116
Unabsorbed depreciation and business loss (Refer note ii below)	3,153	(1,938)	-	1,215
Others	16	(16)	-	-
	5,603	(511)	5	5,097
Net deferred tax assets	3,088	(706)	5	2,387

Movement in deferred tax assets and liabilities for the year ended March 31, 2025

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities:				
Property, plant and equipment	(1,526)	(260)	-	(1,786)
Intangible assets and Intangible assets under development	(536)	(127)	-	(663)
Right of use assets	(10)	(56)	-	(66)
	(2,072)	(443)	-	(2,515)

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets:				
Employee related provisions	546	211	102	859
Loss allowances on trade receivables	489	901	-	1,390
Lease liabilities	11	58	-	69
Investments in preference shares measured at FVTOCI	116	-	-	116
Unabsorbed depreciation and business loss (Refer note ii below)	1,549	1,604	-	3,153
Others	-	11	5	16
	2,711	2,785	107	5,603
Net deferred tax assets	639	2,342	107	3,088

- (i) In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods, the Company has recognised deferred tax assets as there is convincing evidence that sufficient taxable profit will be available against which the unabsorbed depreciation and business loss can be utilised by the entity. It is also expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets.

20. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues to micro enterprises and small enterprises (Refer Note 33)	2,780	5,809
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note (ii) below) (Refer note 44)	22,353	22,769
Total	25,133	28,578

Refer note 30 for balance payable to related parties

Notes:

- (i) The average credit period on purchases ranges from 90 days - 120 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.
- (ii) Ageing for trade payables outstanding as at March 31, 2026 is as follows:

Particulars	Unbilled	Not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Micro enterprises and small enterprises	-	1,803	774	175	4	24	2,780
Other than micro enterprises and small enterprises	5,626	13,996	2,704	23	2	2	22,353
Disputed - Micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	5,626	15,799	3,478	198	6	26	25,133

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Unbilled	Not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Micro enterprises and small enterprises	-	2,873	2,860	52	17	7	5,809
Other than micro enterprises and small enterprises	6,592	10,419	5,750	6	2	-	22,769
Disputed - Micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	6,592	13,292	8,610	58	19	7	28,578

21. Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advances from customers [Refer note 22 (E)]	639	3,130
Statutory payables	519	760
Total	1,158	3,890

22. Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers [refer note (A) below]	1,49,589	1,23,103
Other operating revenue [refer note (D) below]	1,132	2,086
Total	1,50,721	1,25,189

Notes:**(A) Revenue includes:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of manufactured products	1,39,658	1,11,727
Sale of traded goods	9,931	11,376
Total	1,49,589	1,23,103

(B) Reconciliation of revenue from contracts with customers with the contracted price:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers as per the contracted price	1,68,306	1,39,098
Adjustments made to contracted price on account of :-		
a. Rebates/ incentives/ discounts	(13,272)	(12,688)
b. Sales returns	(5,445)	(3,307)
Total Revenue from contract with customers	1,49,589	1,23,103

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(C) Disaggregation of revenue information:

The table below presents disaggregated revenues from contracts with customers by customers and geography. The company believes that the this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Manufactured Products		
Domestic		
Dealer sales	66,256	62,383
Institutional sales	38,047	18,904
Exports		
Institutional sales	35,355	30,440
Total Manufactured Products	1,39,658	1,11,727
Traded goods		
Domestic		
Dealer sales	1,486	1,802
Institutional sales	8,445	9,574
Total Traded goods	9,931	11,376
Total Sales	1,49,589	1,23,103

(D) Other operating revenue

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on overdue trade receivables	768	1,694
Export incentives	257	179
Scrap sales and others	107	213
Total	1,132	2,086

(E) Contract balances

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade receivables, net	46,846	31,367	68,838
Contract assets	541	748	4,824
Contract liabilities (Advances from customers)	639	3,130	1,062

No information is provided about remaining performance obligations at March 31, 2026 or at March 31, 2025 that have an original expected duration of one year or less, as allowed by Ind AS 115.

Contract Liabilities

Contract liabilities include balance received as advance from various customers towards supply of pesticides. The same will be adjusted against the invoices on the basis of delivery and collection of receivables.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount included in contract liabilities at the beginning of the year	3,130	1,062
Revenue recognised during the year	(3,130)	(1,062)
Contract liabilities recognised during the year	639	3,130
Balance as at the end of the year	639	3,130

Expected revenue recognition from remaining performance obligations:

- within one year	639	3,130
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Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

The performance obligation is satisfied when control of the goods are transferred to the customers based on the contractual terms. Payment terms with customers varu depending upon the contractual terms of each contract.

23. Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income under the effective interest method:		
- Bank deposits	116	275
- Unwinding of discount on deposits	7	5
- Loans given to subsidiaries	330	24
Unwinding of guarantee commission	62	45
Other non-operating income:		
Trade receivables written off, recovered	64	213
Net gain on foreign currency transactions and translations	-	112
Guarantee commission	116	157
Miscellaneous income	114	157
Total	809	988

24. Cost of raw materials and packing materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw material and packing materials consumption	1,02,767	83,522
Total	1,02,767	83,522

25. Changes in inventories of finished goods, work in progress and Traded goods

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance		
Work-in-progress	1,459	2,217
Finished goods	9,699	15,825
Traded goods	1,622	2,237
Total opening balance	12,780	20,279
Closing balance		
Work-in-progress	1,742	1,459
Finished goods	11,969	9,699
Traded goods	1,236	1,622
Total closing balance	14,947	12,780
Total (increase)/decrease in inventories	(2,167)	7,499

26. Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	12,929	11,881
Contribution to provident and other funds (Refer note 32)	1,136	1,082
Employee share based payments	64	41
Staff welfare expenses	1,063	989
Total	15,192	13,993

Note: Refer note 38 for capitalisation of salary cost to Intangible assets under development.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

27. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on financial liabilities measured at amortised cost	2,578	3,318
Other interest expenses	441	551
Interest on lease liabilities	65	27
Interest expense on financial assets measured at amortised cost	6	7
Other borrowing costs	635	1,045
Total	3,725	4,948

28. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 4)	1,610	1,567
Add: Depreciation of right of use assets (Refer note 4A)	219	141
Add: Amortisation of intangible assets (Refer note 5)	348	264
	2,177	1,972
Less: Depreciation capitalised during the year (Refer note 38)	44	42
Total	2,133	1,930

29. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts	1,143	555
Repairs and maintenance		
Buildings	148	92
Plant and machinery	593	458
Others	38	59
Other manufacturing costs	1,541	1,244
Power and fuel	4,430	3,180
Rent	276	311
Rates and taxes	110	108
Communication expenses	94	97
Travel and conveyance	1,515	1,410
Legal and professional charges	686	927
Insurance	358	325
Directors' sitting fees	34	43
Auditors' remuneration (Refer note (i) below)	123	69
Product development expenses	39	235
Loss allowance on trade receivables, net (Refer note (iii) below)	2,985	4,266
Royalty	598	832
Marketing expenses	2,984	2,978

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

29. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Freight outward and handling charges	3,421	3,462
Net loss on disposal of property, plant and equipment	51	62
Impairment of intangible assets under development	200	298
Net loss on foreign currency transactions and translations	216	-
Corporate social responsibility expenses (Refer note (ii) below)	-	116
Miscellaneous expenses	1,414	1,104
Total	22,997	22,231

Note: Refer note 38 for capitalisation of other expenses to Intangible assets under development.

Notes:

(i) Auditors' remuneration (net of applicable taxes) comprises of:

Particulars	For the year ended March 31, 2026*	For the year ended March 31, 2025
Statutory audit	92	40
Limited review fee	20	17
Tax audit	-	4
Certification fee	2	1
Reimbursement of expenses	9	7
Total	123	69

* includes ₹46 lakhs paid to erstwhile auditors of the Company.

(ii) Corporate social responsibility (CSR):

As per Section 135 of the Companies Act, 2013 ('Act'), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are Education, Health & Wellness and Community Engagement. The CSR activities of the Company are in line with the Schedule VII of the Companies Act, 2013. A CSR committee has been formed by the company as per the Act. The funds were utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1. Amount required to be spent by the company during the year	-	116
2. Amount approved by the Board to be spent during the year	-	116
3. Amount of expenditure incurred		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	116
4. Shortfall at the end of the year	-	-
5. Total of previous years shortfall	-	-
6. Reason for shortfall	N.A.	N.A.
7. Nature of CSR activities	Educational systems strengthening, Women empowerment, Promoting health care and providing medical support in rural areas and Integrated water resource management.	
8. Details of related party transactions	-	-

There are no unspent amounts related to ongoing and other than ongoing projects.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Loss allowance on trade receivables comprises of:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade receivables written off	543	687
Reversal of loss allowance on trade receivables	(501)	(544)
Loss allowance on trade receivables	2,943	4,123
Total	2,985	4,266

30. Related party disclosures:**(i) Details of subsidiaries and associate:**

Names	Nature of relationship	Country of incorporation	Percentage of holding as at	
			March 31, 2026	March 31, 2025
LR Research Laboratories Private Limited	Subsidiary	India	100%	100%
NACL Spec-Chem Limited	Subsidiary	India	100%	100%
NACL Multi-Chem Private Limited	Subsidiary	India	100%	100%
NACL Agri-Solutions Private Limited	Subsidiary	India	100%	100%
Nagarjuna Agrichem (Australia) Pty Limited	Subsidiary	Australia	100%	100%
NACL Industries (Nigeria) Limited	Subsidiary	Nigeria	100%	100%
Nasense Labs Private Limited	Associate	India	26%	26%

(ii) Details of other related parties:

Name	Nature of relationship
E.I.D.-Parry (India) Limited	Ultimate Holding Company (w.e.f., August 8, 2025)
Coromandel International Limited	Parent company (w.e.f., August 8, 2025)
KLR Products Limited	Parent company (upto August 8, 2025)
Bright Town Investment Advisor Private Limited	A company in which a KMP has significant influence (up to August 8, 2025)
Krishi Rasayan Exports Private Limited	A company in which a KMP has significant influence (up to August 8, 2025)
Agro Life Sciences Corporation	A company in which a KMP has significant influence (up to August 8, 2025)
Agma Energy Private Limited	A company in which a KMP has significant influence (up to August 8, 2025)

(iii) Key Managerial Personnel (KMP) :

Name	Designation
Mrs. K.Lakshmi Raju	Chairperson (Director) (up to August 8, 2025)
Mr. M Pavan Kumar	Managing Director (up to March 12, 2025)
Mr. G.V.Bhadram	Whole Time Director (w.e.f. March 13, 2025, upto August 8, 2025)
Mr. Sudhakar Kudva	Independent Director (up to August 8, 2025)
Mr. N. Vijayaraghavan	Independent Director (up to August 15, 2024)
Mr. Raghavender Mateti	Independent Director (up to August 07, 2024)
Mr. Atul Churiwal	Nominee Director (up to August 8, 2025)
Mr. Rajesh Kumar Agarwal	Nominee Director (up to August 8, 2025)
Mr. Ramkrishna Mudholkar	Independent Director (up to August 8, 2025)
Mr. Sambasiva Rao Nannapaneni	Independent Director (up to August 8, 2025)
Ms. Veni Mocherla	Independent Director (up to August 8, 2025)
Mr. C.V. Rajulu	Non-executive director (up to March 12, 2025)

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Key Managerial Personnel (KMP) :

Name	Designation
Mr. Raj Kaul	Non-executive Director (up to August 8, 2025)
Mr. Santanu Mukherjee	Independent Director (up to August 8, 2025)
Dr. M Lakshmi Kantam	Independent Director
Mr. RKS Prasad	Chief Financial Officer (up to December 12, 2024)
Mr Anish T Mathew	Chief Financial Officer (w.e.f. December 13, 2024 upto December 1, 2025)
Mr. Natarajan Srinivasan	Chairman (Director) (w.e.f. August 8, 2025 upto October 14, 2025)
Mr. Arun Alagappan	Chairman (Additional Director) (w.e.f. October 15, 2025)
Dr. Raghuram Devarakonda	Managing Director & Chief Executive Officer (w.e.f. August 8, 2025)
Mr. S Sankarasubramanian	Director (w.e.f. August 8, 2025)
Mr. Suresh Subramanian	Independent Director (w.e.f. August 8, 2025)
Mr. B Raghavendra Rao	Independent Director (w.e.f. August 8, 2025)
Mr. Sanjiv Lal	Independent Director (w.e.f. August 8, 2025)
Mr. N Shankar	Chief Financial Officer (w.e.f. December 1, 2025)
Mr. Satish Kumar Subudhi	Company Secretary (CS)

(B) Transactions during the year :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Sales		
a. Coromandel International Limited	770	-
b. Krishi Rasayan Exports Private Limited	240	836
c. Agro Life Sciences Corporation	545	160
d. NACL Spec-Chem Limited	3,783	5,410
e. NACL Agri-Solutions Private Limited	2	2
(ii) Rent Income		
a. NACL Multi-Chem Private Limited	11	10
b. NACL Spec-Chem Limited	*	*
c. NACL Agri-Solutions Private Limited	18	17
(iii) Interest income on loans given		
a. NACL Spec-Chem Limited	322	23
b. NACL Multi-Chem Private Limited	3	*
c. NACL Agri-Solutions Private Limited	4	1
(iv) Purchases		
a. Coromandel International Limited	424	-
b. Krishi Rasayan Exports Private Limited	692	623
c. Agro Life Sciences Corporation	455	220
d. Agma Energy Private Limited	345	506
e. NACL Spec-Chem Limited	3,880	6,051
f. NACL Agri-Solutions Private Limited	166	54
g. Nasense Labs Private Limited	24	-
(v) Professional charges		
a. Nagarjuna Agrichem (Australia) Pty Limited, Australia	14	12
(vi) Investments		
a. NACL Spec-Chem Limited (Refer note 6)	10,300	-

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(vii) Guarantee commission		
a. NACL Spec-Chem Limited	116	157
(viii) Reimbursement of expense		
a. NACL Spec-Chem Limited	2	-
b. NACL Multi-Chem Private Limited	-	17
c. NACL Agri-Solutions Private Limited	-	7
(ix) Loan given		
a. NACL Agri-Solutions Private Limited	-	40
b. NACL Multi-Chem Private Limited	-	35
c. NACL Spec-Chem Limited (Refer note 7)	2,813	2,072
(x) Transaction with Key Managerial Personnel		
a. Rent paid	50	140
b. Sitting fees	35	43
c. Short-term employee benefits	553	405
d. Share-based payments	-	18
e. Post employment benefits	-	*
f. Other long term employee benefits	-	36
g. Professional charges	16	108
h. Loan taken	-	1,000
i. Repayment of Loan	1,000	-
j. Interest on loan taken	36	36
(xi) Others		
a. Coromandel International Limited		
(i) Inter corporate services availed	491	-
(ii) Inter corporate services provided	36	-
(iii) Letter of comfort for loan facility #	45,000	-
(iv) Rights issue subscription	14,438	-

*less than a lakh

Notes:

i. Transactions of purchase and sale of goods including services are carried out at arm's length basis and in the normal course of business and determined based on comparable prices with unrelated parties. Loans and guarantees provided to related parties are also on terms comparable with market rates.

#During the year Coromandel International Limited has issued an letter of comfort to the lenders of the Company which states that CIL shall ensure the Company repays debts under the above facility. The total Letter of Comfort as on March 31, 2026 is ₹ 45,000 Lakhs (March 31, 2025: Nil). The amount outstanding under the facility as at March 31, 2026 is ₹ 30,113 Lakhs (March 31, 2025: Nil).

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(C) Outstanding balances as at the year end

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Reimbursement of expenses		
a. NACL Spec-Chem Limited	713	711
b. NACL Multi-Chem Private Limited	70	34
c. NACL Agri-Solutions Private Limited	52	32
(ii) Trade receivables		
a. NACL Spec-Chem Limited	5,797	3,997
b. NACL Multi-Chem Private Limited	*	-
(iii) Trade payables		
a. Coromandel International Limited	174	-
b. NACL Agri-Solutions Private Limited	172	57
c. Nagarjuna Agrichem (Australia) Pty Limited, Australia	36	21
d. Krishi Rasayan Exports Private Limited	-	163
e. Agro Life Sciences Corporation	-	70
f. Agma Energy Private Limited	-	410
(iv) Security deposits		
a. Key Managerial Personnel	-	70
(v) Investments		
a. Nagarjuna Agrichem (Australia) Pty Limited, Australia	32	32
b. LR Research Laboratories Private Limited	1	1
c. NACL Spec-Chem Limited	25,246	9,751
d. NACL Multi-Chem Private Limited	736	736
e. NACL Agri-Solutions Private Limited	100	100
f. Nasense Labs Private Limited	816	816
(vi) Guarantee		
a. NACL Spec-Chem Limited	-	10,864
(vii) Loan taken		
a. Key Managerial Personnel	-	1,033
(viii) Loan given		
a. NACL Agri-Solutions Private Limited	44	40
b. NACL Multi-Chem Private Limited	38	35
c. NACL Spec-Chem Limited	-	2,093

*less than a lakh

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

31. Contingent liabilities, Financial Guarantee and Capital Commitments

A. Contingent Liabilities

S. No.	Particulars	As at	
		March 31, 2026	March 31, 2025
(i)	Claims against the Company not acknowledged as debts in respect of the matters under dispute:		
	Excise duty	17	17
	Service tax	15	15
	Income tax	349	616
	Sales tax	94	94
	Goods and Service tax	388	441
	Export benefits (MEIS)	199	199
(ii)	Others	3	135
	Total	1,065	1,517

Note: Contingent liabilities mainly pertain to disputed tax demands under appeal/pending before various appellate / assessing authorities against the Company and litigations with various parties. It is expected that there will be no outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same. The amounts disclosed above represent our best estimate and the uncertainties are dependent on the outcome of the legal processes initiated by the Company or the claimant as the case may be.

B. Financial Guarantee

The Company had given guarantee for the term loan and working capital facilities availed by the NACL Spec-chem Limited (wholly owned subsidiary) to HDFC Bank Limited and Axis Bank Limited of ₹ Nil (March 31, 2025: ₹ 10,864 lakhs).

C. Commitments

S. No.	Particulars	As at	
		March 31, 2026	March 31, 2025
(i)	Estimated amount of contracts, remaining to be executed on capital account and not provided for (net of advance)	324	43
	Total	324	43

Note: The Company entered into contract to purchase certain items of property, plant and equipment.

32. Employee benefit plans

a) Defined contribution plan - Provident fund

The Company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the fund administered and managed by the Government of India. The Company's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. Total expense recognised during the year aggregated ₹ 859 lakhs (March 31, 2025: ₹ 817 lakhs).

b) Defined benefit plan - Gratuity

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company, provides for Gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such Gratuity plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss for the year determined. The Gratuity fund is administered through a scheme of Life Insurance Corporation of India (LIC). The present value of the defined benefit obligation and the related current service cost and past service cost, were measured

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk. The gratuity plan is funded. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan and the Company contributes to LIC.

Amounts recognised in statement of profit and loss in respect of these defined benefit i.e. Gratuity plans are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	188	193
Net interest expense	89	72
Components of defined benefit costs recognised in statement of profit or loss	277	265
Re-measurement on the net defined benefit liability:		
- Return on plan assets excluding interest income	(1)	3
- Actuarial losses arising from Demographic Assumptions	-	-
- Actuarial gain arising from experience adjustments	98	360
- Actuarial losses arising from changes in financial assumptions	(76)	42
Components of defined benefit costs recognised in other comprehensive income/loss	21	405
Total	298	670

Defined Benefit Obligation (DBO)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of DBO at the beginning of the year	1,952	1,462
Current service cost	188	193
Interest cost	122	98
Actuarial losses arising from experience adjustments	98	360
Actuarial losses arising from changes in financial assumptions	(76)	42
Benefits paid	(319)	(203)
Present value of DBO at the end of the year	1,965	1,952

Fair value of plan assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan assets at the beginning of the year	239	417
Interest income	33	26
Employer contributions	138	2
Benefits paid	(319)	(203)
Return on plan assets excluding interest income	1	(3)
Present value of plan assets at the end of the year	92	239

Major Category of Plan Assets as a % of the Total Plan Assets

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Reconciliation of net Defined Benefit Liability / (Asset)

Particulars	For the year ended March 31, 2026	
	As at March 31, 2026	As at March 31, 2025
Net Defined Benefit Liability / (Asset) at the beginning of the year	1,713	1,045
Current service cost	188	193
Interest cost	89	72
Return on plan assets excluding interest income	(1)	3
Actuarial losses arising from experience adjustments	98	360
Actuarial losses arising from changes in financial assumptions	(76)	42
Employer contributions	(138)	(2)
Net Defined Benefit Liability / (Asset) at the end of the year	1,873	1,713
Non current	1,591	1,385
Current	282	328

Assumptions

Particulars	Gratuity plan	
	As at March 31, 2026	As at March 31, 2025
Discount rate	7.52%	6.83%
Expected rate of salary increase	6.00%	6.00%
Attrition rate	8%	8%
Retirement age	58 years	58 years
Mortality table	Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	

The estimates of future salary increases considered in the actuarial valuation take account of price inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligation.

Sensitivity analysis

Scenario	For the year ended March 31, 2026	
	DBO	Percentage Change
Under base scenario	1,965	-
Salary escalation - up by 1%	119	6.06%
Salary escalation - down by 1%	(109)	-5.55%
Attrition rate - up by 1%	6	0.31%
Attrition rate - down by 1%	(7)	-0.36%
Discount rate - up by 1%	(100)	-5.09%
Discount rate - down by 1%	112	5.70%
Mortality Rates - Up by 10%	*	0.02%
Mortality Rates - Down by 10%	*	-0.02%

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Scenario	For the year ended March 31, 2025	
	DBO	Percentage Change
Under base scenario	1,952	-
Salary escalation - up by 1%	123	6.29%
Salary escalation - down by 1%	(112)	-5.76%
Attrition rate - up by 1%	2	0.12%
Attrition rate - down by 1%	(3)	-0.14%
Discount rate - up by 1%	(103)	-5.30%
Discount rate - down by 1%	116	5.93%
Mortality Rates - Up by 10%	*	0.01%
Mortality Rates - Down by 10%	*	-0.01%

* less than 1 lakh

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Expected maturity analysis of cash flows on an undiscounted basis

Particulars	For the year ended March 31, 2026	
	As at March 31, 2026	As at March 31, 2025
Maturity profile of Defined Benefit Obligations		
Within 1 year	287	335
Year 2	277	229
Year 3	261	229
Year 4	251	219
Year 5	208	211
> 5 years	1,979	1,912

Expected contribution to the post employee benefits plan during the next financial year is expected to be ₹ 287 lakhs (March 31, 2025: ₹ 266 lakhs), based on the amount recongnized in the statement of profit and loss in respect of gratuity.

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2025: 7 years)

c) Labour code

On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four codes.

The four codes prescribe an inclusive definition of the term 'wages', which among other matters is relevant for determination of post-employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

introduce changes related to leave entitlement and encashment for workers. Going forward, workers' leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire accumulated leave.

The Company has assessed financial implications of these changes and noted that its existing salary structure as well leave policies are in compliance with the requirements of the labour codes. Accordingly, the Company has concluded that the changes do not have any material impact on its financial statements. Considering that it is emerging topic and the finalisation of Central/ State Rules is still pending, the Company will continue monitoring changes and provide appropriate accounting effect as required based on future developments.

33. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act 2006

The amount due to micro, small and medium enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006" ('Act') has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure relating to micro, small and medium enterprises are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The principal amount remaining unpaid to any supplier as at the end of the accounting year	2,610	5,639
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	170	170
(iii) The amount of interest paid by the buyer under the Act along with the amounts of payment made to the supplier beyond the appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	170	170
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23	-	-

34. Financial instruments

34.1 Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating. The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Gearing ratio

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current borrowings	-	968
Current borrowings including current maturities of non-current borrowings	30,113	26,818
Lease liabilities	1,078	273
Cash and cash equivalents	(211)	(5,718)
Other bank balances	(3,191)	(203)
Net debt (Refer note (i) below)	27,789	22,138
Equity (Refer note (ii) below)	73,540	46,148
Net debt to equity ratio	0.38	0.48

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

No changes were made in the objectives, policies or processes for managing capital for the year ended March 31, 2026 and March 31, 2025.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Notes:

- Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and other bank balances.
- Equity includes issued equity capital, securities premium and all other reserves.

34.2 Fair value measurements

The carrying value and fair value of financial instruments as at March 31, 2026 and March 31, 2025 were as follows:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Equity investments	1,401	1,401	1,401	1,401
Other investments (refer note (iii) below)	25,531	25,531	10,036	10,036
Loans	82	82	2,169	2,169
Trade receivables	46,846	46,846	31,367	31,367
Cash and cash equivalents	211	211	5,718	5,718
Other bank balances	3,191	3,191	203	203
Other financial assets	1,432	1,432	1,312	1,312
Total	78,694	78,694	52,206	52,206
Financial liabilities				
Borrowings (refer note (i) below)	30,113	30,113	27,786	27,786
Lease liabilities	1,078	1,078	273	273
Trade payables	25,133	25,133	28,578	28,578
Other financial liabilities	4,025	4,025	3,135	3,135
Total	60,349	60,349	59,772	59,772

Notes:

- Borrowings include non-current and current borrowings (Refer Note 16)
- In case of trade receivables, cash and cash equivalents, other bank balances, borrowings, trade payables, and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Investments (unquoted) are measured at fair value through initial designation in accordance with Ind AS 109.

34.3 Fair Value by hierarchy

Valuation technique and key inputs

Level 1

Quoted prices (unadjusted) in an active market for similar assets or liabilities.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3

Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Quantitative disclosures of fair value measurement hierarchy - Level 3 for financial instruments:

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Unquoted preference shares designated at fair value through OCI	1	1

The fair values of the unquoted preference shares have been estimated using a Discounted Cash Flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, earnings growth, discount rate, and probabilities of the various estimates within the range used in management's estimate of fair value for these unquoted preference investments.

Valuation inputs and relationships to fair value:

The following table summarises the valuation technique used in measuring the fair value of the financial instruments, as well as the significant unobservable inputs used. The total value of investments in unquoted preference shares are not material. Hence quantitative disclosures are not disclosed.

Particulars	Significant-unobservable inputs	Valuation process	Sensitivity of the inputs to fair value
Investment in unquoted preference shares	Earnings growth rate	i) Earnings growth factor for unlisted preference shares are estimated based on the market information of similar type of companies and also considering the economic environment impact.	Any increase in earnings growth rate would increase the fair value.
	Discount rate	ii) Discount rates are determined using a capital asset pricing model, i.e., a borrowing rate at which the Company would be able to borrow funds on similar terms.	Any increase in discount rate would result in decrease in fair value.

Transfer between level 1 and 2:

There have been no transfers from level 2 to level 1 or vice-versa in 2025-26 and 2024-25.

34.4 Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Financial risk factors:

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company has adequate internal processes to assess, monitor and manage financial risks. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The liquidity risk is measured by the Company's inability to meet its financial obligations as they become due.

a) Market risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

b) Currency risk

The Company is exposed to foreign exchange risk through imports from overseas suppliers in various foreign currencies, exports to customers abroad, bill discounting, buyer's credit, packing credit. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Company monitors and manages its financial risks by analysing its foreign exchange exposures. The Company, in accordance with its Board approved risk management policies and procedures, enters into foreign exchange forward contracts to manage its exposure in foreign exchange rates.

The following table analyses foreign currency exposures from financial instruments that have not been hedged by a derivative instrument as of March 31, 2026:

Particulars	US Dollars	₹ (in lakhs)
Cash and cash equivalents	1,43,000	136
Trade receivables	87,65,599	8,312
Borrowings	(8,03,819)	(762)
Trade payables	(59,30,938)	(5,625)
Net assets/(liabilities)	21,73,842	2,061

The following table analyses foreign currency exposures from financial instruments that have not been hedged by a derivative instrument as of March 31, 2025:

Particulars	US Dollars	₹ (in lakhs)
Cash and cash equivalents	4,26,851	365
Trade receivables	64,50,721	5,513
Borrowings	(72,42,000)	(6,190)
Trade payables	(78,22,913)	(6,686)
Net assets/(liabilities)	(81,87,341)	(6,998)

Sensitivity analysis:

For the year ended March 31, 2026 and March 31, 2025, every increase / decrease of ₹ 1 in the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 22 lakhs/ (₹ 22 lakhs) and ₹ 82 lakhs/ (₹ 82 lakhs) respectively and Impact Equity, net of tax by ₹ 16 lakhs/ (₹ 16 lakhs) and ₹ 61 lakhs/ (₹ 61 lakhs) respectively.

c) Interest rate risk

The Company draws term loans, working capital demand loans, avails cash credit, foreign currency borrowings including buyer's credit, packing credit etc. for meeting its funding requirements. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of borrowings having floating rate of interest. The borrowings are serviced on a timely manner and repayments of the principal and interest amounts are made on a regular basis. However, the Company does not have any floating rate borrowings outstanding.

d) 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, deposits with banks, foreign exchange transactions and other financial instrument. Credit risk is managed through credit approvals, monitoring the creditworthiness and establishing credit limits of customers to which the Company grants credit terms in the normal course of business. The company collects security deposits from its dealer customers which act as security against the outstanding trade receivables from such dealer customers. In the event of default, these security deposits can be adjusted against the uncollectible trade receivables from such dealer customers. The Company establishes an expected credit loss model and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Trade receivables:

- (i) The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom the Company grants credit terms in the normal course of business. The credit period on sale of goods varies with seasons and markets and generally ranges between 30 to 120 days. Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually.

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

- (ii) The concentration of risk with respect to trade receivables is reasonably low, as Company's customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. Trade receivable amounting to ₹ 5,797 lakhs (March 31, 2025: ₹6,201 lakhs) is due from customers who represent more than 5% of total trade receivables.

Security deposits:

It consists of rent, electricity and other deposits. The Group does not expect any financial loss as the said deposits are given only to credible vendors/ service providers.

Cash and cash equivalents and deposits with banks:

Cash and cash equivalents and deposits of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents and deposits with banks have low credit risk based on the external credit ratings of the counterparties.

e) Other price risks

- (i) The Company is exposed to valuation of equity investment risks as the Company's equity investments are held for strategic rather than trading purposes.
- (ii) The Company's operating activities require the ongoing import of key raw materials, it is exposed to commodity risk due to its reliance on international suppliers for raw materials, making it vulnerable to fluctuations in global market prices, currency exchange rates, and geopolitical events. The Company's effective risk management strategies are in place to mitigate potential adverse effects on production and profitability.

f) Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company's principal sources of liquidity are cash & bank balances, credit facilities and cash generated from operations.

The working capital position of the Company:

Particulars	As at March 31, 2026	As at March 31, 2025
Current assets	79,971	69,432
Current liabilities	61,219	63,320
Working capital	18,752	6,112

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

The table below provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis as at March 31, 2026:

Particulars	Carrying value	Less than 1 year	1-5 years	above 5 years
Trade payables	25,133	25,133	-	-
Borrowings and interest thereon	30,113	30,113	-	-
Lease liabilities	1,078	211	999	143
Other current financial liabilities	4,025	4,025	-	-
Total	60,349	59,482	999	143

The table below provides details of financial assets as at 31 March 2026:

Particulars	Carrying amount
Trade receivables	46,846
Cash and cash equivalents including other bank balances	3,402
Other financial assets	834
Total	51,082

The table below provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis as at March 31, 2025:

Particulars	Carrying value	Less than 1 year	1-5 years	above 5 years
Trade payables	28,578	28,578	-	-
Borrowings and interest thereon	27,786	26,818	968	-
Lease liabilities	273	140	281	-
Other current financial liabilities	3,106	3,106	-	-
Other non-current financial liabilities	29	-	29	-
Total	59,772	58,642	1,278	-

The table below provides details of financial assets as at 31 March 2025:

Particulars	Carrying amount
Trade receivables	31,367
Cash and cash equivalents including other bank balances	5,921
Loans	2,093
Other financial assets	774
Total	40,155

The Company's obligation towards payment of borrowings has been included in note 16. 35. Ratios

Notes forming part of the Standalone financial statements

35. Ratios

The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance	Remarks
Current ratio	Current assets	Current liabilities	1.31	1.10	19.13%	
Debt-Equity ratio	Debt consists of borrowings and lease liabilities	Total equity	0.42	0.61	-30.24%	Note (i)
Debt service coverage ratio	Earning for debt service = Profit for the year + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	1.32	0.29	360.71%	Note (ii)
Return on equity ratio	Profit for the year	Average shareholders equity	4%	-15%	125.68%	Note (iii)
Inventory turnover ratio	Cost of Goods Sold= Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods + work-in-process and stock-in-trade + Manufacturing Expenses)	Average inventory	4.24	3.40	24.41%	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	3.22	2.14	50.22%	Note (iv)
Trade payables turnover ratio	Net purchases	Average trade payables	3.98	2.75	44.98%	Note (iv)
Net capital turnover ratio	Revenue from operations	Average Working capital	12.12	10.38	16.85%	
Net profit ratio	Profit for the year	Revenue from operations	2%	-6%	125.85%	Note (iv)
Return on capital employed	Earnings before interest and taxes	Capital employed = Net worth + borrowings	6%	-6%	201.71%	Note (v)
Return on investment	Income generated from investments	Time weighted average investments	0%	2%	-88.44%	Note (vi)

Notes:

- Reduction in borrowings on account of repayments long term loans
- Reduction in finance cost
- Increase in profits on account of improved operations
- Increase in revenues on account of improved operations
- Reduction in borrowing together with improvement in net profit
- Reduction in margin money deposits with banks during the year

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

36. Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/(Loss) for the year attributable to shareholders of the Company	2,274	(7,308)
Basic:		
Weighted average number of Equity shares outstanding adjusted for Rights Issue	21,78,68,442	21,58,25,335
Earnings/(Loss) per share (₹)	1.04	(3.39)
Diluted:		
Effect of potential equity shares on employee stock options outstanding	4,65,102	81,385
Weighted average number of equity shares outstanding	21,83,33,543	21,59,06,720
Earnings/(Loss) per share (₹)	1.04	(3.39)

37. Research and development expense charged to Statement of Profit and Loss account:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee benefits expense	508	117
Depreciation	53	68
Other expenses	285	176
Total	846	361

38. Development expense capitalised:

Revenue Expenditure capitalised during the year under respective heads:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee benefits expense	383	693
Depreciation	44	42
Other expenses	488	332
Total	915	1,067

39. Leases:

The Company leases office buildings. The leases pertain to office buildings leases typically run for a period of 3 to 6 years, with an option to renew the lease after that date.

The Company has certain leases with lease terms of less than 12 months. The Company applies short term lease recognition exemption for these leases. The incremental borrowing rate for lease liabilities is 8%.

i) The following is the movement in lease liabilities during the year ended:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	273	43
Add: Lease liabilities recognised during the year	1,102	363
Less: Lease liabilities derecognised during the year	(164)	-
Add: Interest cost accrued during the year	65	27
Less: Payment of lease liabilities including interest	(198)	(160)
Balance at the end of the year	1,078	273
Non-current lease liability	949	154
Current liability	129	119

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

ii) Amount recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation	219	141
Interest expense	65	27
Expenses relating to short-term leases and low-value assets (included in other expenses)	276	311
Total	560	479

iii) Maturity analysis of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	211	140
One to five years	999	281
More than five years	143	-

40. Operating Segments:

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

41. Exceptional items

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Impairment of intangible assets under development	(1,028)	-
(ii) Insurance claim received	-	2,926
Exceptional items	(1,028)	2,926

For the year ended March 31, 2026, pursuant to a strategic review, the Company has decided to discontinue certain products under development, which has been disclosed as exceptional items.

For the year ended March 31, 2025, exceptional item pertains to favourable ruling related to insurance claim proceeding.

42. Acquisition of majority Stake by Coromandel International Limited and rights issue

Pursuant to (i) share purchase agreement dated March 12, 2025 among Coromandel International Limited ("CIL"), KLR Products Limited, Mrs. Kanumuru Lakshmi Raju and Bright Town Investment Advisor Private Limited ("Promoter SPA"); (ii) share purchase agreement dated March 12, 2025 among CIL and M/s. Agro Life Science Corporation; (iii) share purchase agreement dated March 12, 2025 among CIL and M/s. Krishi Rasayan Exports Private Limited; and (iv) the mandatory open offer made by CIL to the public shareholders of NACL in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"), CIL has acquired in aggregate 10,69,12,581 equity shares of NACL representing 53.08% of the voting share capital of NACL. Consequently, CIL has acquired control of NACL and became the promoter of NACL and NACL has become a subsidiary of CIL with effect from August 8, 2025.

The Company has made a rights issue of 32,501,851 fully paid up Equity Shares of face value of ₹ 1 each for a price of ₹76.7 per rights equity share (including a premium of ₹ 75.7 per rights equity share) aggregating up to ₹24,929 lakhs for repayment of debt of ₹ 10,400 lakhs of the Company, ₹ 8,300 lakhs towards repayment of debt of a subsidiary and balance towards general corporate purposes and issue expenses. These equity shares are allotted on December 31, 2025. These funds has been utilised for the purpose it was raised and unutilized amount of ₹ 3,080 lakhs is deposited in earmarked bank account, pending utilization for general corporate purpose. Subsequent to rights issue, CIL's stake increased to 53.73%.

Earnings per share for all the comparative periods have been retrospectively adjusted for the effects of the rights issue.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

43. Reclassification

During the year, in view of improved presentation, the Company has reassessed presentation of following:

1. Rebates to customers and provision for sales returns, have been adjusted against "trade receivables", which were earlier included in "other financial liabilities" amounting to ₹5,040 lakhs as at March 31, 2026 (₹4,015 lakhs as at March 31, 2025).
2. Accrued salaries and wages to employees have been reclassified under "Other financial liabilities" which were earlier included in trade payables amounting to ₹352 lakhs as at March 31, 2026 (₹157 lakhs as at March 31, 2025).
3. Right to return assets have been reclassified under "Inventories" which were earlier included in "Other current assets" amounting to ₹541 lakhs as at March 31, 2026 (₹748 lakhs as at March 31, 2025).

44. Additional regulatory 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 entity(ies), 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) Other than as disclosed in note 42 relating to transfer of proceeds of rights issue of ₹8,300 lakhs for repayment of loan to the Company's wholly owned subsidiary NACL Spec-Chem Limited, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (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 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 has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (viii) The Company does not have any charges which are yet to be registered with ROC beyond the statutory period. The Company does not have any satisfaction of charges which are yet to be registered with the ROC beyond the statutory period except for:

Charge Holder name and ID	Amount	Location of Registrar
Bank of Baroda - 90261984	2,040	Hyderabad
Canara Bank - 90247742	604	Hyderabad
ICICI Bank limited - 90262175	150	Hyderabad

The satisfaction of above charges is pending for registration due to procedural delays at the ROC Hyderabad and the Company is currently following up with the ROC to complete the registration of such satisfaction.

- (ix) The Company has borrowings from banks and financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. (x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Notes forming part of the Standalone financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

- (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 favour 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.
 - (xii) The Company has not revalued any of its property, plant and equipment (including right-of-use-assets) and intangible assets during the year.
 - (xiii) The Company does not have any transactions with companies which are struck off.
 - (xiv) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
 - (xv) There have been no material subsequent events after the reporting period that require adjustment or disclosure in these financial statements.
45. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level insofar as it relates to primary accounting software. Further no instance of audit trail feature being tampered with was noted in respect of other software. Additionally, the audit trail has been preserved as per the statutory requirements for record retention, to extent it was enabled and recorded in the prior year.

As per our Report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Place : Hyderabad
Date : May 4, 2026

Independent AUDITOR'S REPORT

To the Members of NACL Industries Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of NACL Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in

the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the

management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Recognition and measurement of revenues</p> <p>Refer to note 3.4, note 3.26.1 and note 22 to the consolidated financial statements.</p> <p>Revenue from sale of goods is recognised, when the control of goods is transferred to the customers. In accordance with the accounting policy, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms.</p> <p>This has been determined as a key audit matter in view of the judgement and estimates involved in assessing the terms of sales arrangement, including the timing of transfer of control, and accrual of rebates and sales returns.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> We understood the revenue recognition process, evaluated the design and implementation of internal controls relating to revenue recognised. We selected samples and tested the operating effectiveness of internal controls relating to transfer of control. We carried out a combination of procedures involving enquiry, observation, and inspection of evidence in respect of operation of these controls. We tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. In respect of the selected sample of transactions <ul style="list-style-type: none"> We obtained the customer contracts and understood the terms and conditions including delivery and shipping terms. We tested whether the revenue is recognised upon transfer of control to customer. We tested on a sample basis (including for sales near to the period-end) shipping documents / customer acknowledgment, as applicable. We assessed the process and assumptions used by management to estimate accruals for sales returns, rebates and incentives, including reviewing historical data and contractual terms. We assessed relevant disclosures in the consolidated financial statements of the Company.
<p>(b) Assessment of recoverability of trade receivables</p> <p>Refer to note 3.21, note 3.26.1 and note 10 to the consolidated financial statements, the Holding Company recognises provision against trade receivables based on expected credit loss (ECL) model as per Ind AS 109 Financial Instruments.</p> <p>The ECL is computed based on historical credit loss experience, specific reviews of customer accounts as well as experience with such customers, current economic and business conditions.</p> <p>The recoverability of trade receivables and the valuation of the allowance for ECL against trade receivables has been considered a key audit matter due to the judgement involved in determining the provision which requires evaluation of various factors such as the financial condition of the counterparty, probability of default, loss given default, expected future cash flows and other related factors.</p>	<p>Our procedures in relation to the management's assessment of recoverability of trade receivables included the following:</p> <ul style="list-style-type: none"> We have obtained an understanding of the process and testing the design, implementation and operating effectiveness of relevant internal controls for evaluating the recoverability of trade receivables including collection process and the methodology for determining the allowance for impaired trade receivables. We have evaluated reasonableness of the method and assumptions and judgements used by the management with respect to recoverability of trade receivables, including assessment of the profile of trade receivables, probability of default, loss given default, expected future cash flows. We evaluated the simplified approach applied by the Company to identify lifetime ECL. In doing so, obtained the schedule of receivables aging, inquired into aged balances and assessed managements explanation for collectability. . We tested the managements computation and accuracy of the provision for ECL. We assessed relevant disclosures in the consolidated financial statements of the Holding Company.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the Holding Company are also responsible for overseeing the Company's financial reporting process. Those respective Board of Directors of the subsidiaries and associate are also responsible for overseeing the financial reporting process of the subsidiaries and associate.

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

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

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

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

in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- We did not audit the financial statements and other financial information, in respect of four subsidiaries, whose financial statements include total assets of Rs. 32,830 lakhs as at March 31, 2026, and total revenues of Rs. 15,512 lakhs and net cash inflows of Rs. 44 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.
- The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of two subsidiaries whose financial statements and other financial information reflect total assets of Rs. 36 lakhs as at March 31, 2026, total revenues of Rs. 14 lakhs and net cash outflows of Rs. 21 lakhs for the year ended on that date. Those unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of Rs. 16 lakhs for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of one associate whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.
- The consolidated financial statements of the Company for the year ended March 31, 2025, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 28, 2025.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matters' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matters' paragraph we report, to the extent applicable, that:
 - We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matters' paragraph:
 - The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer note 31 to the consolidated financial statements;
 - The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;
 - Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026;

Nature of Amount	Amount in ₹ Lakhs	Due date for transfer to IEPF	Date of Transfer	Delay (in days)
Unpaid Dividend (FY 2016-17)	4	September 4, 2024	September 18, 2025	380
Unpaid Dividend (FY 2017-18)	5	September 4, 2025	January 29, 2026	148

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company's subsidiaries, incorporated in India during the year ended March 31, 2026

- iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 43 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in note 43 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement;
- v. No dividend has been declared or paid during the year by the Holding Company and its subsidiaries, incorporated in India; and
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 44 to the consolidated financial statements, the Holding Company and its subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered in respect of other accounting software. Additionally, the audit trail has been preserved by the Holding Company and the above referred subsidiaries as per the statutory requirements for record retention, to the extent it was enabled and recorded in the prior years.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan
Partner
Place of Signature: Hyderabad Membership Number: 213271
Date: May 4, 2026 UDIN: 26213271HLUZEJ3617

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

Re: NACL Industries Limited ("The Holding Company")

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

- 3(xxi) There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports issued by us for the Holding Company and by the respective auditors in the CARO reports of the subsidiary companies included in the consolidated financial statements. The report of an associate incorporated in India included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report.

S. No.	Name of the Company	Corporate Identification Number	Subsidiary/ Associate
1	Nasense Labs Private Limited	U24231TG1995PTC019809	Associate

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Membership Number: 213271
UDIN: 26213271SMXXIG8054
per Shankar Srinivasan Partner
Membership Number: 213271
UDIN: 26213271HLUZEJ3617

Place of Signature: Hyderabad
Date: May 4, 2026

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of NACL Industries Limited

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

In conjunction with our audit of the consolidated financial statements of NACL Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the

risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

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

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

Opinion

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to four subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India and does not include reports in respect of an associate incorporated in India, where such report have not been made available to us. Our opinion is not qualified in respect of these matters.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Shankar Srinivasan**

Partner

Membership Number: 213271

UDIN: 26213271HLUZEJ3617

Place of Signature: Hyderabad

Date: May 4, 2026

Consolidated Balance Sheet

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	40,442	39,495
(b) Capital work-in-progress	4	671	2,152
(c) Right-of-use assets	4A	4,435	3,702
(d) Intangible assets	5	1,023	705
(e) Intangible assets under development	5	1,137	2,116
(f) Investments accounted for using the equity method	6A	816	1,549
(g) Financial assets			
(i) Investments	6B	1	1
(ii) Other financial assets	7	744	683
(h) Deferred tax assets (net)	19	3,331	3,826
(i) Income tax assets (net)	13	636	1,135
(j) Other non-current assets	8	706	355
Total non-current assets		53,942	55,719
2 Current assets			
(a) Inventories	9	28,258	27,360
(b) Financial assets			
(i) Trade receivables	10	45,836	27,496
(ii) Cash and cash equivalents	11	269	5,731
(iii) Bank balances other than (ii) above	12	3,192	204
(c) Other current assets	8	4,896	5,785
Total current assets		82,451	66,576
Total assets		1,36,393	1,22,295
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	14	2,342	2,012
(b) Other equity	15	65,950	40,694
Total equity		68,292	42,706
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	-	8,462
(ii) Lease liabilities	37	949	154
(b) Provisions	18	2,425	2,267
Total non-current liabilities		3,374	10,883
3 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16	30,118	31,132
(ii) Lease liabilities	37	129	119
(iii) Trade payables	20		
(a) total outstanding dues of micro enterprises and small enterprises		3,715	6,233
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		24,708	23,237
(iv) Other financial liabilities	17	4,159	3,260
(b) Provisions	18	563	664
(c) Current tax liabilities (net)	13	106	109
(d) Other current liabilities	21	1,229	3,952
Total current liabilities		64,727	68,706
Total liabilities		68,101	79,589
Total equity and liabilities		1,36,393	1,22,295

See accompanying notes forming part of the consolidated financial statements

As per our Report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Place : Hyderabad
Date : May 4, 2026

Consolidated Statement of Profit and Loss

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
I INCOME			
Revenue from operations	22	1,58,446	1,23,452
Other income	23	281	804
Total income		1,58,727	1,24,256
II EXPENSES			
Cost of materials consumed	24	1,07,597	78,909
Purchases of traded goods		2,900	4,641
Changes in inventories of finished goods, work-in-progress and traded goods	25	(2,806)	7,679
Employee benefits expense	26	16,057	14,792
Finance costs	27	4,649	6,495
Depreciation and amortisation expense	28	3,196	2,905
Other expenses	29	24,416	23,718
Total expenses		1,56,009	1,39,139
III Profit/(Loss) before exceptional income (I - II)		2,718	(14,883)
IV Exceptional items	40	(1,745)	2,926
Profit/(Loss) before share of profit of associate and income tax(I - II)		973	(11,957)
IV Share of profit from associate, net of tax		(16)	33
V Profit/(Loss) before tax (III + IV)		957	(11,924)
VI Tax expense			
(i) Current tax	13.3	1	1
(ii) Deferred tax	13.3	499	(2,712)
Total tax expense		500	(2,711)
VII Profit/(loss) for the year (V - VI)		457	(9,213)
VIII Other comprehensive loss			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit obligation	32	(14)	(405)
(b) Income tax relating to items that will not be reclassified to profit or loss	13.3	4	102
Items that will be reclassified to profit or loss			
(a) Effective portion of cash flow hedges		-	(21)
(b) Income tax relating to items that will be reclassified to profit or loss	13.3	-	5
Total other comprehensive income/(loss) for the year, net of tax		(10)	(319)
IX Total comprehensive income/(loss) for the year (VII + VIII)		447	(9,532)
X Earnings/(loss) per equity share of ₹1 each			
Basic (₹)	34	0.21	(4.27)
Diluted (₹)	34	0.21	(4.27)

See accompanying notes forming part of the consolidated financial statements

As per our Report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Place : Hyderabad
Date : May 4, 2026

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Consolidated Statement of Cash flow

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	957	(11,924)
Adjustments to reconcile profit/(loss) before tax to net cashflows:		
Depreciation and amortisation expense	3,196	2,905
Finance costs	4,649	6,495
Gain on termination of lease	(13)	-
Interest income	(132)	(295)
Exceptional item	1,745	(2,926)
Share of profit from associate	16	(33)
Impairment allowances on trade receivables	2,985	4,266
Net loss on disposal of property, plant and equipment	51	62
Impairment of non-current assets	200	298
Share-based payments	64	42
Unrealised forex loss / (gain) (net)	(113)	(43)
Operating profit/(loss) before working capital changes	13,605	(1,153)
Working capital adjustments		
(Increase)/Decrease in Inventories	(898)	12,196
(Increase)/Decrease in Trade receivables	(20,897)	35,665
(Increase)/Decrease in Other assets	483	144
Increase/(Decrease) in Trade payables	(1,337)	(3,282)
Increase/(Decrease) in Provisions	43	459
Increase/(Decrease) in Other liabilities	(1,972)	2,979
Cash generated from operations	(10,973)	47,008
Income taxes paid (net of refunds)	559	(110)
Net cash generated from/(used in) operating activities (A)	(10,414)	46,898
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets, capital work-in-progress and intangible assets under development	(3,029)	(3,335)
Proceeds from sale of property, plant and equipment	61	282
Movement in other short term deposits and margin money (net)	(2,968)	3,157
Interest income received	95	286
Net cash generated/ (used) in investing activities (B)	(5,841)	390
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from exercise of employee stock options	311	86
Proceeds from issue of shares via rights issue	24,929	-
Transaction costs on issue of shares	(170)	-
Proceeds from preferential allotment	-	1,000
Proceeds from non-current borrowings	1,000	-
Repayment of non-current borrowings	(15,790)	(6,770)
Movement in current borrowings (net)	5,284	(32,346)
Payment of lease liabilities including interest	(198)	(160)
Finance costs paid	(4,579)	(6,603)
Net cash flows from/(used in) financing activities (C)	10,787	(44,793)
Net (increase)/decrease in cash and cash equivalents (D) = (A)+B+C)	(5,468)	2,495
Cash and cash equivalents at the beginning of the year (E)	5,731	3,232
Effect of movements in exchange rates on cash and cash equivalents (F)	6	4
Cash and cash equivalents at the end of the year (G) = (D)+(E)+(F) (Refer Note 11)	269	5,731

Consolidated Statement of Cash flow

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹LAKHS, UNLESS OTHERWISE STATED)

Notes:

1. Reconciliation of liabilities from financing activities

Particulars	As at April 1, 2025	Proceeds	Payments	Non-cash movement*	As at March 31, 2026
Non-current borrowings (including current maturities)	14,897	1,000	(15,790)	(107)	-
Current borrowings (net)	24,697	5,284	-	137	30,118
Lease liabilities	273	-	(198)	1,003	1,078
Interest on lease liabilities	-	-	(65)	65	-
Total liabilities from financing activities	39,867	6,284	(16,053)	1,098	31,196

Reconciliation of liabilities from financing activities

Particulars	As at April 1, 2024	Proceeds	Payments	Non-cash movement*	As at March 31, 2025
Non-current borrowings (including current maturities)	21,809	-	(6,770)	(142)	14,897
Current borrowings (net)	57,056	-	(32,346)	(13)	24,697
Lease liabilities	43	363	(133)	-	273
Interest on lease liabilities	-	-	(27)	27	-
Total liabilities from financing activities	78,908	363	(39,276)	(128)	39,867

*Non-cash movement for borrowings represents interest accrued amount, effect of changes in foreign exchange rate and for lease liabilities represents additions to the leases.

- Non-cash investing activities includes acquisition of Right-of-use assets for ₹1,154 Lakhs (2025: ₹363 Lakhs)
- Statement of Cash flows has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash flows. Cash and cash equivalents in the Statement of Cash flows comprise cash in hand and balances with banks.

See accompanying notes forming part of the consolidated financial statements

As per our Report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Sankarasubramanian S
Director
(DIN: 01592772)

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Place : Hyderabad
Date : May 4, 2026

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085

Consolidated Statement of changes in equity

AS AT MARCH 31, 2026

(ALL AMOUNTS IN ₹ LAKHS, UNLESS OTHERWISE STATED)

A. Equity share capital (Refer Note 14)

Particulars	Number of shares	Amount
Balance as at April 1, 2024	19,91,69,177	1,992
Changes in equity share capital during the year	20,33,970	20
Balance as at March 31, 2025	20,12,03,147	2,012
Balance as at April 1, 2025	20,12,03,147	2,012
Changes in equity share capital during the year	3,29,75,183	330
Balance as at March 31, 2026	23,41,78,330	2,342

B. Other equity (Refer Note 15)

Particulars	Reserves and surplus			Items of other comprehensive income		Total	
	General reserve	Securities premium	Share based payment reserve	Retained earnings	Translation reserve		Equity instruments through other comprehensive income
Balance as at 1 April 2024	4,175	13,914	269	31,243	-	16	49,118
Profit for the year	-	-	-	(9,213)	-	-	(9,213)
Other Comprehensive Income for the year, net of tax	-	-	-	(303)	-	(16)	(319)
Total comprehensive income for the year	-	-	-	(9,516)	-	(16)	(9,532)
Contributions and distributions	-	-	-	-	-	-	-
Share based payments (Refer Note 14)	-	-	42	-	-	-	42
Issue of equity shares on preferential allotment	-	983	-	-	-	-	983
Issue of equity shares on exercise of employee stock options	-	153	(70)	-	-	-	83
Balance as at March 31, 2025	4,175	15,050	241	21,727	-	(499)	40,694
Balance as at 1 April 2025	4,175	15,050	241	21,727	-	(499)	40,694
Profit for the year	-	-	-	457	-	-	457
Other Comprehensive Income for the year, net of tax	-	-	-	(10)	-	-	(10)
Total comprehensive income for the year	-	-	-	447	-	-	447
Translation differences	-	-	-	-	5	-	5
Share based payments (Refer Note 14)	-	-	64	-	-	-	64
Issue of share capital via rights issue (Refer Note 41)	-	24,604	-	-	-	-	24,604
Less: Rights issue expenses	-	(170)	-	-	-	-	(170)
Issue of equity shares on exercise of employee stock options	-	480	(174)	-	-	-	306
Balance as at March 31, 2026	4,175	39,964	131	22,174	5	(499)	65,950

See accompanying notes forming part of the consolidated financial statements

As per our Report of even date attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm Registration No. 101049W/E300004

Shankar Srinivasan

Partner

ICAI Membership No: 213271

Place : Hyderabad

Date : May 4, 2026

For and on behalf of the Board of Directors

NACL Industries Limited

CIN: L24219TG1986PLC016607

Sankarasubramanian S

Director

(DIN: 01592772)

N. Shankar

Chief Financial Officer

Place : Hyderabad

Date : May 4, 2026

Dr. Raghuram Devarakonda

Managing Director & CEO

(DIN: 09749805)

Satish Kumar Subudhi

Company Secretary

ICSI Membership No.: FCS 9085

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

1. Corporate information

NACL Industries Limited (CIN: L24219TG1986PLC016607) ("the Company") is a limited Company incorporated in India, equity shares of which are listed on the Bombay Stock Exchange and the National Stock Exchange in India.

Pursuant to (i) share purchase agreement dated March 12, 2025 among Coromandel International Limited ("CIL") (CIN: L24120TG1961PLC000892), KLR Products Limited, Mrs. Kanumuru Lakshmi Raju and Bright Town Investment Advisor Private Limited ("Promoter SPA"); (ii) share purchase agreement dated March 12, 2025 among CIL and M/s. Agro Life Science Corporation; (iii) share purchase agreement dated March 12, 2025 among CIL and M/s. Krishi Rasayan Exports Private Limited; and (iv) the mandatory open offer made by CIL to the public shareholders of NACL in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"), CIL has acquired in aggregate 10,69,12,581 equity shares of NACL representing 53.08% of the voting share capital of NACL. Consequently, CIL has acquired control of NACL and became the promoter of NACL and NACL has become a subsidiary of CIL with effect from August 8, 2025.

The address of Company's registered office is "Coromandel House", 1-2-10, Sardar Patel Road, Secunderabad – 500003, Telangana. The Company is engaged in the business of manufacturing and trading of crop protection and manufactures both Technicals (Active Ingredient) and Formulations. It manufactures all kinds of pesticides, insecticides, acaricides, herbicides, fungicides and other plant growth chemicals. The Company's formulation business is mainly in the Indian market and sells through its large retail dealer network spread across India. The Company has a range of branded formulations. It also exports technicals and formulations and does toll manufacture for certain multinational companies.

The Consolidated financial statements were approved for issue in accordance with a resolution passed by the Board of Directors of the Company on May 4, 2026.

2. Basis of preparation and presentation

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, (as amended) along with the presentation requirements of Division II of Schedule III to the Act (Ind-AS compliant Schedule III), as applicable.

The Consolidated financial statements include accounts of NACL Industries Limited ("the Company") and the following entities: (all together referred to as 'the Group') (refer note 40).

Wholly owned subsidiaries:

- NACL Spec-Chem Limited, India
- NACL Multichem Private Limited, India
- LR Research Laboratories Private Limited, India
- Nagarjuna Agrichem (Australia) Pty Limited, Australia
- NACL Industries (Nigeria) Limited, Nigeria
- NACL Agri-Solutions Private Limited, India

Associates:

- Nasense Labs Private Limited, India

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments including derivative financial instruments, that are measured at fair values at the end of each reporting period, Equity settled ESOP at grant date fair value and Defined benefit plans, and on accrual basis.

The Group has prepared the Consolidated financial Statements on the basis that it will continue to operate as a going concern.

2.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements;

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

and

- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

In circumstances, where an existing ownership interest as a result of a transaction gives the group access to the returns associated with potential voting rights, the proportion allocated to the parent and non controlling interests in preparing consolidated financial statements is determined by taking into account the eventual exercise of such potential voting rights and other derivatives that currently give the entity access to the returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, jointly controlled entities or associate, the respective entity prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the said entity, unless it is impracticable to do so.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. Material accounting policies

3.1 Current and Non-Current

The Group presents assets and liabilities in the balance

sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there exists no right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification..

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.3 Investments in associates and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future

cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale and measures it at fair value.

3.4 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 3.26.1.

- Sale of goods is recognised net of returns and trade discounts, volume discounts scheme allowances and price concessions (as specified in the contracts with customers) when control over the goods is transferred to the customers. Accruals for discounts/incentives are estimated using the most likely method based on accumulated experience and underlying schemes and agreements with customers. The performance obligation in the case of sale of goods is satisfied at a point in time i.e., when the goods are shipped to the customers or on delivery to the customer, as per applicable terms.
- For contracts that permit the customer to return an item, revenue is recognised to the extent that it

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data related to sale returns. In these circumstances, a refund liability and a right to return assets are recognised. The right to return assets is measured at the former carrying amount of the inventory less any expected costs to recover goods. The refund liability is adjusted against trade receivables and the right to return assets is included in inventories. The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.

- c) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered by measuring progress towards satisfaction of performance obligation for such services over a period of time.
- d) Export benefits and other excise benefits are accounted for on accrual basis.
- e) Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the Customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Trade Receivable represents the Group's right to an amount of consideration that is unconditional.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.5 Other operating revenue

Revenue from operations includes "Other Operating Revenue" which consists of export incentives, interest on overdue trade receivables, scrap and by-products sales.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and the Company will comply with the conditions associated with the relevant scheme. Interest on overdue trade receivables is accrued on a time basis, by reference to the outstanding overdue trade receivables.

Interest on overdue trade receivables are accounted in accordance with contractual terms agreed with customers.

3.6 Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.7 Leases

As a Lessee: The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line basis over the shorter of the lease term and the estimated useful life of the assets from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The Average lease term for different categories of leasehold assets are as follows: -

Particulars	Lease term
Leasehold land	35-99 years
Building	3-6 years

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

3.8 Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which these entities operate (i.e., the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Group and rounded to the nearest lakhs.

3.9 Foreign currencies

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies shall be translated using the exchange rate at the date of the transaction.

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense

items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the statement of profit and loss.

3.10 Employee benefits

3.10.1 Defined contribution plans

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. Contributions in respect of Employees Provident Fund, Employee's State Insurance scheme and Pension Fund which are defined contribution schemes, are made to a fund administered through Regional Provident Fund Commissioner and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

3.10.2 Defined benefit plans

The Group's Gratuity scheme for its employees is a defined benefit retirement plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), are reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

3.10.3 Short-term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilised accrued compensated absence and utilise it in future periods or receive cash compensation at retirement or termination of employment for the unutilised accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence based on actuarial valuation made by an independent actuary as at the standalone balance sheet date on projected unit credit method. Compensated absences expected to be maturing after 12 months from the date of balance sheet are classified as non-current

3.11 Share-based payment arrangements

Equity-settled share-based payments to employees providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in share-based payment reserve. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

3.12 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the

Company by the weighted average number of equity shares outstanding during the year adjusted for the effects of rights issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares and for the effects of rights issue.

3.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- **Current tax**
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

- **Deferred tax**
Deferred tax is recognised using balance sheet approach on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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 assets to be recovered.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.14 Property, plant and equipment and capital work-in-progress

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment

losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use.

On transition to Ind AS, the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Depreciation is provided using straight-line method as per the useful life prescribed in Schedule II to the 2013 Act. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use/ (disposed off).

The estimated useful lives of property, plant and equipment are as follows:

Asset	Useful lives (in years)
Plant and equipment	15-20
Buildings	30-60
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Computers	3-6

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Freehold land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

3.15 Intangible assets and Intangible assets under development

Intangible assets are carried at cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortized over individual estimated useful lives on using the straight-line method. The

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

estimated useful life of an identifiable intangible asset is as under:

Asset	Useful lives (in years)
Computer software	3
Internally developed products	3

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

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

Intangible assets under development are carried at cost, net of accumulated impairment loss, if any, comprising direct cost and related incidental expenses. Intangible assets under development are capitalised only when technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use the asset and the costs can be measured reliably. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and these future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognised in profit or loss as incurred

3.16 Impairment

- Property, Plant and Equipment, CWIP and Intangible assets

The Group assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Group estimates the recoverable amount of such assets and if the carrying amount exceeds the recoverable amount, impairment is recognised in profit or loss. The recoverable amount is the higher of the Fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment

loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

Intangible assets under development are tested annually for impairment.

- Impairment of Investments
The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. The recoverable amount is the higher of Fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor

3.17 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress, traded goods, packing materials and finished goods and are valued at the lower of cost and net realisable value. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw material, stores and spares and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost.
- Finished goods and Work-in-process: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on moving weighted average cost of production.
- Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost.

3.18 Cash and Cash equivalents

Cash comprises cash on hand, in bank and demand deposits with banks and with financial institutions. The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.19 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised 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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities and assets

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.21 Financial assets

3.21.1 Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or

for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer note 3.4.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

3.21.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

3.21.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has

neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3.21.4 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures, for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates.

In addition to the provision matrix, the Company also performs individual assessment of credit risk for specific customers where there is objective evidence of increased credit risk. Where such individual assessment indicates that a trade receivable meets the criteria for being classified as credit impaired under Ind AS 109, the Company recognises a loss allowance based on lifetime ECL and discloses such credit impaired trade receivables separately in the standalone balance sheet.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default;
- it is probable that the debtor will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for a security because of financial difficulties.

The ECL loss allowance (or reversal) during the year is recognised in the standalone statement of profit and loss.

Write-off:

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument.

3.22 Financial liabilities

3.22.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

3.22.2 Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.22.3 Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.22.4 Derecognition

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

3.23 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.24 Derivative financial instruments and hedge accounting

3.24.1 Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the balance sheet.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

3.25 Dividend

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

3.26 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

Critical Judgements

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

accounting policies and that have the most significant effect on the amounts recognized in the standalone financial statements:

Contingencies

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low

probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position.

3.26.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful live, residual value of property, plant and equipment	The Group reviews the estimated useful live, residual value of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Impairment of intangible asset under development	The Company capitalises intangible asset under development for projects in accordance with the accounting policy. In determining the amounts to be capitalised, Management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.
Fair value measurements	Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Group determines the appropriate valuation techniques and inputs for fair value measurements.
	In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.
Revenue recognition	The Group provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Provision for expected credit losses of trade receivables	The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
Estimation of net realisable value of inventories	Inventories are valued at the lower of cost and net realisable value. In estimating the net realisable value of inventories, the Group makes an estimate of future selling prices and costs necessary to make the sale.
Refund liability	The Group accepts sales returns as per the policy. Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Group to be reliable estimate of future sales returns.
Provision for employee benefits	The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Leases	Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.27 Recent pronouncements

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments have not resulted in additional disclosures and have not had an impact on the classification of Company's liabilities.

ii. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial

Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments have not resulted in additional disclosures and have not had an impact on the classification of Company's liabilities.

- iii. There are certain other amendments to Ind AS 12 Income Taxes and Ind AS 21 The Effects of Changes in Foreign Exchange Rates, which did not have any impact on the Company.

3.28 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date. The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

4. Property, plant and equipment and capital work-in-progress

4.1 Movement of Property, plant and equipment.

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Cost or deemed cost								
Balance as at 1 April 2024	2,512	14,473	56,708	802	200	400	816	75,911
Add: Additions	-	154	2,199	17	-	36	73	2,479
Less: Disposals	-	11	3,504	11	-	3	7	3,536
Balance as at March 31, 2025	2,512	14,616	55,403	808	200	433	882	74,854
Add: Additions	16	162	2,526	470	55	284	168	3,681
Less: Disposals	-	20	335	165	56	97	82	755
Balance as at March 31, 2026	2,528	14,758	57,594	1,113	199	620	968	77,780

Accumulated depreciation:

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at 1 April 2024	-	3,224	31,286	598	96	266	591	36,061
Add: Depreciation	-	494	1,816	21	20	35	104	2,490
Less: Disposals	-	9	3,163	11	-	3	6	3,192
Balance as at March 31, 2025	-	3,709	29,939	608	116	298	689	35,359
Add: Depreciation	-	498	1,955	22	20	38	89	2,622
Less: Disposals	-	5	283	154	36	87	78	643
Balance as at March 31, 2026	-	4,202	31,611	476	100	249	700	37,338

Net book value:

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at March 31, 2026	2,528	10,556	25,983	637	99	371	268	40,442
Balance as at March 31, 2025	2,512	10,907	25,464	200	84	135	193	39,495

Notes:

- (i) Property, plant and equipment includes carrying amount of ₹ 3,134 lakhs (March 31, 2025: ₹ 3,045 lakhs), additions amounting to ₹ 134 lakhs (March 31, 2025: ₹ 610 lakh) and net carrying amounting to ₹ 1,502 lakhs (March 31, 2025: ₹ 1,525 lakhs) in respect of in-house research and development.
- (ii) Refer Note 16 for details of property, plant and equipment hypothecated or pledged.
- (iii) For details of contractual commitments, refer note 31C

4.2 Capital work-in-progress (CWIP) movement schedule

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	2,152	2,813
Add: Additions during the year	1,964	1,483
Less: Capitalisations during the year	3,445	2,144
Balance as at the end of the year	671	2,152

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Ageing for capital work-in-progress as at March 31, 2026 is as follows:

Particulars	Amount of capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	627	35	-	9	671
Projects temporarily suspended	-	-	-	-	-
Total	627	35	-	9	671

Projects whose completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2026:

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Asset expansion	-	35	-	9	44

There are no projects where completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2026, other than as disclosed above.

Ageing for capital work-in-progress as at March 31, 2025 is as follows:

Particulars	Amount of capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	875	1,268	-	9	2,152
Projects temporarily suspended	-	-	-	-	-

Projects whose completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2025:

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Asset expansion	320	285	10	-	615

There are no projects where completion is overdue or has exceeded its cost compared to its original plan as of March 31, 2025, other than as disclosed above.

4A. Right of use assets

4A.1 Carrying amounts of:

Particulars	As at March 31, 2026	As at March 31, 2025
Leasehold Land	3,389	3,440
Buildings	1,046	262
Total	4,435	3,702

4A.2 Movement of Right of use assets:

Particulars	Leasehold Land	Buildings	Vehicles	Total
Carrying amount				
Balance as at April 1, 2024	3,598	517	236	4,351
Add: Additions	-	363	-	363
Less: Disposals	-	517	236	753
Balance as at March 31, 2025	3,598	363	-	3,961
Add: Additions	-	1,154	-	1,154
Less: Disposals	-	363	-	363
Balance as at March 31, 2026	3,598	1,154	-	4,752

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

4A.3 Accumulated depreciation:

Particulars	Leasehold Land	Buildings	Vehicles	Total
Balance as at April 1, 2024	106	491	222	819
Add: Depreciation expense	52	127	14	193
Less: Disposals	-	517	236	753
Balance as at March 31, 2025	158	101	-	259
Add: Depreciation expense	51	219	-	270
Less: Disposals	-	212	-	212
Balance as at March 31, 2026	209	108	-	317

4A.4 Net Carrying amounts:

Particulars	Leasehold Land	Buildings	Vehicles	Total
Balance as at March 31, 2026	3,389	1,046	-	4,435
Balance as at March 31, 2025	3,440	262	-	3,702

5. Intangible assets and intangible assets under development (IAUD)

Carrying amounts of:

Particulars	As at March 31, 2026	As at March 31, 2025
Computer software	-	-
Product registrations	1,023	705
Total	1,023	705

5.1 Details of intangible assets:

Particulars	Computer software	Product registrations	Total
Cost			
Balance as at April 1, 2024	379	1,353	1,732
Add: Additions	-	493	493
Less: Disposals	-	-	-
Balance as at March 31, 2025	379	1,846	2,225
Add: Additions	-	666	666
Less: Disposals	-	-	-
Balance as at March 31, 2026	379	2,512	2,891

Accumulated amortisation:

Particulars	Computer software	Product registrations	Total
Balance as at April 1, 2024	379	877	1,256
Add: Amortisation	-	264	264
Less: Disposals	-	-	-
Balance as at March 31, 2025	379	1,141	1,520
Add: Amortisation	-	348	348
Less: Disposals	-	-	-
Balance as at March 31, 2026	379	1,489	1,868

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Net Carrying amounts:

Particulars	Computer software	Product registrations	Total
Balance as at March 31, 2026	-	1,023	1,023
Balance as at March 31, 2025	-	705	705

5.2 Intangible assets under development

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	2,116	1,840
Add: Additions during the year	915	1,067
Less: Capitalisations during the year	666	493
Less: Impaired during the year	1,228	298
Balance as at the end of the year	1,137	2,116

Intangible Assets under development Ageing Schedule*

As at March 31, 2026

Particulars	Amount of intangible assets under development for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	475	416	200	46	1,137
Projects temporarily suspended	-	-	-	-	-
Total	475	416	200	46	1,137

As at March 31, 2025

Particulars	Amount of intangible assets under development for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	759	459	511	387	2,116
Projects temporarily suspended	-	-	-	-	-
Total	759	459	511	387	2,116

*Intangible Assets under development in the nature of product registration generally takes 4 to 5 years of development time.

Note:

- All IAUD require certain milestones to be achieved which include receipt of approvals from relevant authority. The age of respective IAUD is within the time period such milestones would take and accordingly, the management has considered that there are no delays in executing respective IAUD projects. Further, these IAUD projects have not exceeded the budgeted cost.
- Refer note 36 for capitalisation of development expenditure.
- Refer note 40 for IAUD impaired during the year.

6A. Investments accounted for using the equity method

Particulars	Nominal value	Number of shares	As at March 31, 2026	Number of shares	As at March 31, 2025
Interests in associate					
Nasense Labs Private Limited	₹10	61,27,513	1,533	61,27,513	1,549
Less: Impairment allowance (Refer Note 40)*			(717)		-
Total			816		1,549

*During the year, based on valuation report and future cash flow projections, the Company has provided for impairment allowance towards this investment.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

6B. Non-current investments

Particulars	Nominal value	As at March 31, 2026		As at March 31, 2025	
		Number of shares	Amount	Number of shares	Amount
Other equity investment at fair value through other comprehensive income					
Unquoted					
SVC Co-operative Bank Limited	₹ 25	100	*	100	*
Total equity investments (A)			-		-
Investment in preference shares at fair value through other comprehensive income					
Unquoted					
Nagaarjuna Shubho Green Technologies Private Limited					
10% cumulative redeemable preference shares	₹100	5,00,000	500	5,00,000	500
Less: Impairment allowance			(499)		(499)
Total other investments (B)			1		1
Total (A) + (B)			1		1
Aggregate value of unquoted investments			1		1
Aggregate amount of impairment in value of investments			1,216		499

*less than a lakh

7. Other financial assets (at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	744	683
Total	744	683

8. Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	319	198
Balance with government authorities	361	150
Prepayments	26	7
Total	706	355
Current		
Advance to suppliers	555	1,254
Balance with government authorities	3,633	3,747
Prepayments	487	545
Export Incentive receivable	211	227
Advance to employees	10	12
Total	4,896	5,785

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

9. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials (refer note (i) below)	10,556	12,609
Work-in-progress	1,850	1,482
Finished goods* (refer note (ii) below)	12,677	9,850
Traded goods	1,238	1,627
Stores and spares	1,396	1,044
Right to return assets (Refer note 42)	541	748
Total	28,258	27,360

Notes:

- (i) Raw materials includes goods-in-transit of ₹3,040 lakhs (March 31, 2025: ₹6,640 lakhs).
- (ii) The cost of finished goods recognised as an expense includes provision for near expiry stock aggregated to ₹110 lakhs (March 31, 2025: ₹120 lakhs), write off on account of expired stock aggregated to ₹308 lakhs (March 31, 2025: ₹171 lakhs).
- (iii) Refer Note 16 for details of Inventories hypothecated or pledged.

10. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
(a) Trade receivables Considered good - Secured	1,207	952
(b) Trade receivables Considered good - Unsecured	45,020	28,942
(c) Trade receivables – credit impaired	9,585	3,122
	55,812	33,016
Less: Impairment allowance	9,976	5,520
Total	45,836	27,496

Refer note 30 for balance receivable from related parties.

- (i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member, other than as disclosed above.
- (ii) Refer note 16 for details of trade receivables hypothecated or pledged.
- (iii) In accordance with Ind AS 109, the Group uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates. Accordingly, the Group creates provision for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Ageing for trade receivables as at March 31, 2026 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables								
Undisputed trade receivables – considered good	1,196	30,628	12,100	1,125	11	-	-	45,060
Undisputed trade receivables – credit impaired	-	-	-	505	302	360	-	1,167
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	7	178	6,107	3,293	-	9,585
	1,196	30,628	12,107	1,808	6,420	3,653	-	55,812
Less: Loss allowance								(9,976)
								45,836

Ageing for trade receivables as at March 31, 2025 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables								
Undisputed trade receivables – considered good	1,273	8,715	11,699	5,665	2,542	-	-	29,894
Undisputed trade receivables – credit impaired	-	-	-	1,272	159	191	-	1,622
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	1,500	-	-	1,500
	1,273	8,715	11,699	6,937	4,201	191	-	33,016
Less: Loss allowance								(5,520)
								27,496

(v) Movement in Impairment loss on trade receivables

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	5,520	1,941
Provision for impairment loss made during the year*	4,957	4,123
Reversal of loss allowance on trade receivables	(501)	(544)
Balance at the end of the year	9,976	5,520

*includes regrouping of ₹1,972 lakhs (March 31, 2025 ₹ Nil).

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

11. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	3	6
Balances with banks		
in Current accounts	35	533
in Cash credit accounts	95	4,827
in Export earning foreign currency accounts	136	365
Total	269	5,731

12. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
In earmarked accounts		
Unclaimed dividend accounts [Refer note (i) below]	51	61
Margin money / deposit [Refer note (ii) below]	3,141	143
Total	3,192	204

Notes:

(i) Unclaimed dividend accounts

(a) If the dividend has not been claimed within 30 days from the date of declaration, the Company is required to transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company with a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

(b) During the year, there has been a delay in transfer of unpaid dividend in respect of final dividend of FY 2017-18 amounting to ₹ 5 lakhs to the IEPF for the year ended March 31, 2026, which was due in September 2025. The Holding Company has transferred the said amount to IEPF on January 29, 2026.

Further, During FY2024-25, there has been a delay in transfer of unpaid dividend in respect of final dividend of FY 2016-17 amounting to ₹ 4 lakhs to the IEPF for the year ended March 31, 2025, which was due in September 2024. The Holding Company has transferred the said amount to IEPF on September 18, 2025.

(ii) Margin money / deposit

Margin money represents amounts deposited with banks as security against bank guarantees issued to various authorities and unutilized proceeds from rights issue of ₹ 3,080 lakhs deposited in earmarked bank account, pending utilization for general corporate purpose (refer note 41).

13. Income tax

13.1 income tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets	636	1,135

13.2 Current income tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current income tax liabilities (net)	106	109

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

13.3 Tax expense

A. Income tax expense recognised in the statement of profit and loss

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax		
In respect of current year	1	1
Total (A)	1	1
Deferred tax		
Origination and reversal of temporary differences	499	(2,712)
Total (B)	499	(2,712)
Total tax expense (A+B)	500	(2,711)

B. Deferred tax benefit/ (expense) recognised in the other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax benefit/ (expense) recognised directly in equity consists of:		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit obligation	4	102
Items that will be reclassified to profit or loss		
Effective portion of loss on designated portion of hedging instrument in a cash flow hedge	-	5
Total	4	107

C. Reconciliation of effective tax rate

Particulars	As at March 31, 2026	As at March 31, 2025
Accounting profit / (loss) before tax	957	(11,924)
Statutory tax rate	25.17%	25.17%
Tax expenses at statutory tax rate	241	(3,001)
Adjustments:		
Effect of expenses that are not deductible in determining taxable profit	(52)	80
Effect on account of items taxed at different rates	121	181
Effect on account of impairment of non-current investments	180	-
Others	10	29
Income tax expense	500	(2,711)

14. Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital:	25,00,00,000	2,500	25,00,00,000	2,500
Fully paid up equity shares of ₹1 each				
Issued, subscribed and fully paid up capital:	23,41,78,330	2,342	20,12,03,147	2,012
Fully paid up equity shares of ₹ 1 each				
	23,41,78,330	2,342	20,12,03,147	2,012

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

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

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	20,12,03,147	2,012	19,91,69,177	1,992
Add: Issue of equity shares under Parent Company's employee stock option plan	4,73,332	5	3,09,833	3
Add: Issue of equity shares under Preferential allotment	-	-	17,24,137	17
Add: Issue of equity shares under rights issue (Refer note 41)	3,25,01,851	325	-	-
Balance at the end of the year	23,41,78,330	2,342	20,12,03,147	2,012

14.2 Rights, preferences and restrictions attached to equity shares:

The Company has only one class of issued, subscribed and fully paid up equity shares having a face value of ₹ 1 each per share. Each holder of equity shares is entitled to one vote per share. The dividend (other than interim dividend) proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

14.3 Shares held by holding/ultimate holding company (i.e., parent of the Group)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Coromandel International Limited (Holding Company w.e.f August 8, 2025)	12,57,36,882	1,257	-	-
KLR Products Limited (Holding Company and Ultimate Holding Company upto August 8, 2025)	-	-	11,36,23,500	1,136

14.4 Details of Promoter shareholdings:

As at 31 March 2026

Promoter Name	No. of shares at the commencement of the year	% of total shares	No. of shares at the end of the year	% of total shares	% change during the year
Promoter					
Coromandel International Limited (Holding Company w.e.f August 8, 2025)	-	0.00%	12,57,36,882	53.69%	53.69%
KLR Products Limited (Holding Company and Ultimate Holding Company upto August 8, 2025)	11,36,23,500	56.47%	78,27,354	3.34%	-53.13%
Promoter Group					
M A Alagappan Holdings Private Limited (w.e.f August 8, 2025)	-	0.00%	2,588	0.00%	0.00%
M A Murugappan Holdings LLP (w.e.f August 8, 2025)	-	0.00%	3,664	0.00%	0.00%
Arun Murugappan Children's Trust (M A M Arunachalam & Sigappi Arunachalam are Trustees) (w.e.f August 8, 2025)	-	0.00%	3,209	0.00%	0.00%
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, M A M Arunachalam & A M Meyammaiare Trustees) (w.e.f August 8, 2025)	-	0.00%	4,202	0.00%	0.00%
Mrs. K Lakshmi Raju (upto August 8, 2025)	1,27,05,860	6.31%	1,47,55,172	6.30%	-0.01%
Bright Town Investment Advisor Private Limited (upto August 8, 2025)	5,86,499	0.29%	6,82,999	0.29%	0.00%

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

As at 31 March 2025

Promoter Name	No. of shares at the commencement of the year	% of total shares	No. of shares at the end of the year	% of total shares	% change during the year
KLR Products Limited	11,36,23,500	57.05%	11,36,23,500	56.47%	-0.58%
Mrs. K Lakshmi Raju	1,27,05,860	6.38%	1,27,05,860	6.31%	-0.06%
Bright Town Investment Advisor Private Limited	5,86,499	0.29%	5,86,499	0.29%	0.00%

14.5 Details of shares held by each shareholder holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
Coromandel International Limited (Holding Company w.e.f August 8th, 2025)	12,57,36,882	53.69%	-	0.00%
KLR Products Limited (Holding Company and Ultimate Holding Company upto August 8th, 2025)	-	0.00%	11,36,23,500	56.47%
Mrs. K Lakshmi Raju	1,47,55,172	6.30%	1,27,05,860	6.31%
Krishi Rasayan Exports Private Limited	1,83,69,655	7.84%	1,56,25,000	7.77%
Rajesh Kumar Agarwal	1,83,69,655	7.84%	1,56,25,000	7.77%

14.6 Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Under Employee Stock Option Scheme - 2015 (11,50,000 equity shares of INR 1 each)	-	-	-	-
Under Employee Stock Option Scheme - 2020 (25,00,000 equity shares of INR 1 each)	4,31,664	4	10,93,328	11

14.6.1 "Nagarjuna Agrichem Limited-Employee Stock Option Scheme-2015"

- The Company set up the "Nagarjuna Agrichem Limited-Employee Stock Option Scheme-2015" (hereinafter referred to as "ESOS-2015") and earmarked 11,50,000 number of equity shares of ₹ 1 each for issue to employees. The plan was approved in financial year 2015-16 and is administered by the Nomination and Remuneration Committee of the Board of Directors.
- Under the ESOS-2015 scheme, options are granted to eligible employees at an exercise price, which shall not be less than the face value of the equity shares of the Company. These options vest over a period of one to five years subject to continuous employment and exercisable by the employees within two years of vesting. There is no performance condition attached to these options.
- Summary of employee stock options:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of options	Weighted- average exercise price	Number of options	Weighted- average exercise price
Options outstanding at the beginning of the year	-	-	21,500	8
Options forfeited / lapsed during the year	-	-	-	-
Options granted during the year	-	-	-	-
Options exercised during the year	-	-	(21,500)	8
Options outstanding at the end of the year	-	-	-	-
Options vested but not exercised at the end of the year	-	-	-	-

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

iv) Fair value of shares granted during the year:

During the year, there has been no options granted under this scheme and accordingly fair value measurement details are not applicable. This scheme was formally closed on 11 July 2025..

14.6.2 "Nagarjuna Agrichem Limited-Employee Stock Option Scheme-2020"

i) The Company set up the "NACL Industries Limited-Employee Stock Option Scheme-2020" (hereinafter referred to as "ESOS-2020") and earmarked 30,00,000 number of equity shares of ₹ 1 each for issue to employees. The plan was approved in financial year 2020-21 and is administered by the Nomination and Remuneration Committee of the Board of Directors.

ii) Under the ESOS-2020 scheme, options are granted to eligible employees at an exercise price, which shall not be less than the face value of the equity shares of the Parent Company. These options vest over a period of one to five years subject to continuous employment and exercisable by the employees within one years of vesting. There is no performance condition attached to these options.

iii) Summary of employee stock options:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	Weighted- average exercise price	Number of options	Weighted- average exercise price
Options outstanding at the beginning of the year	10,73,329	61	13,03,330	59
Options granted during the year	-	-	3,70,000	50
Options forfeited / lapsed during the year	(1,68,333)	53	(3,11,668)	67
Options exercised during the year	(4,73,332)	66	(2,88,333)	29
Options outstanding at the end of the year	4,31,664	72	10,73,329	61
Options exercisable at the end of the year	81,667	73	2,79,999	69

iv) Fair value of shares granted during the year

Options were priced using Black-Scholes Merton options pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past years.

The following assumptions were used for calculation of fair value of grants as per Black-Scholes Merton options Pricing model:

Particulars	As at March 31, 2026	As at March 31, 2025
Risk free Interest Rate (%)	4.32 - 7.39	4.32 - 7.39
Expected life (years)	4 to 5	4 to 5
Expected volatility (%)	38.51 - 67.68	38.51 - 64.18
Dividend yield (%)	0.49 - 0.54	0.54
Price of the underlying share in market at the time of the option grant (₹)	39 - 92	39 - 92
Range of fair value of options at the grant date	18.77 - 46.37	18.77 - 46.37
Range of exercise prices for options outstanding	50 - 82	50 - 82
Weighted average remaining contractual life (in years)	0.78 - 2.63	0.91 - 4.2

Weighted average share price at the date of exercise for share options exercised during the year is ₹ 206.10 (March 31, 2025 ₹ 63.65)

The weighted average fair value of options granted during the year was ₹ Nil (March 31, 2025: ₹ 26.10).

For details of the related employee benefits expense, see Note 26 and for details of closing share based payment reserve, see Note 15.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

14.7 There are no bonus shares issued and no shares were issued for consideration other than cash except for the shares allotted pursuant to the exercise of employee stock options during the period of five years immediately preceding the reporting date.

15. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
General reserve	4,175	4,175
Securities premium	39,964	15,050
Reserve for equity instruments through other comprehensive income	(499)	(499)
Share based payment reserve	131	241
Translation reserve	5	-
Retained earnings	22,174	21,727
Total	65,950	40,694

15.1 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
General reserve		
Opening balance	4,175	4,175
Change for the year	-	-
Closing balance	4,175	4,175
Securities premium		
Opening balance	15,050	13,914
Add: Amount received on preferential allotment	-	983
Add: Amount received on rights issue	24,604	-
Less: Rights issue expenses	(170)	-
Add: Issue of equity shares on exercise of employee stock options	480	153
Closing balance	39,964	15,050
Reserve for equity instruments through other comprehensive income		
Opening balance	(499)	(499)
Change for the year	-	-
Closing balance	(499)	(499)
Share based payment reserve		
Opening balance	241	269
Add: Change for the year	64	42
Less: Amount transferred to securities premium on exercise of employee stock options	(174)	(70)
Closing balance	131	241
Translation reserve		
Opening balance	-	-
Change for the year	5	-
Closing balance	5	-
Effective portion of cash flow hedge reserve		
Opening balance	-	16
Change for the year	-	(16)
Closing balance	-	-
Retained earnings		
Opening balance	21,727	31,243

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Add: Profit/(loss) for the year	457	(9,213)
Add: Other comprehensive income arising from remeasurement of defined benefit obligation (net of taxes)	(10)	(303)
Closing balance	22,174	21,727
Total	65,950	40,694

Nature and purpose of reserves:

- General Reserves:** General reserve was created through an annual transfer of profits from retained earnings in accordance with applicable regulations. General reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.
- Security premium:** Security premium represents the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the relevant provisions of the Companies Act, 2013 ("Act").
- Reserve for equity instruments through other comprehensive income:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in a separate reserve titled as Equity instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.
- Share based payment reserve:** The share based payment reserve account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. The amounts recognised in this reserve are transferred to Securities Premium when Options are exercised by the employees or they expire unexercised.
- Effective portion of cash flow hedge reserve:** When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.
- Retained earnings:** Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, debenture redemption or other reserve as well as dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. The amount is available for distribution to the shareholders.

16. Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Non current		
Secured - at amortised cost		
Term loans		
from banks [Refer note (a) below]	-	8,462
Total - non current	-	8,462
Current		
Secured - at amortised cost		
Repayable on demand from banks [Refer note (b) below]	30,118	21,103
Current maturities of non-current borrowings	-	6,435
Unsecured - at amortised cost		
from others [Refer note (c) below]	-	3,594
Total - current	30,118	31,132

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

(a) Term loans :

Corporate term loans ₹ Nil (March 31, 2025: ₹ 12,384 lakhs) are secured by first ranking pari-passu charge on present and future property, plant and equipments of the Company, second ranking pari-passu charge on present and future stock and book debts of the company

Working Capital term loans ₹ Nil (March 31, 2025: ₹ 2,513 lakhs) are secured by 100% guaranteed by National Credit Guarantee Trustee Company Limited (NCGTC), second ranking pari-passu charge on current assets and property, plant and equipments of the Company, both present and future

Above term loans carried rate of interest in the range of Marginal Cost of Funds based Lending Rate (MCLR) / REPO plus 0.30% to 4.25% p.a. These loans are fully repaid in current year.

(b) Loans repayable on demand:

Loans repayable on demand from banks (includes Cash Credit Facilities, Working capital demand loan and packing credit foreign currency facilities, buyers credit availed under non fund based limits) from various banks and financial institutions are secured by way of hypothecation of current assets comprising stock in trade, book debts and stores and spares both present and future. The aforesaid facilities are further secured by letter of comfort issued by Coromandel International Limited (Holding Company) w.e.f., January 2026.

Rate of interest on loans repayable on demand is in the range of 6.95% to 18% p.a. (March 31, 2025: 5.80% to 18.00% p.a.).

(c) Unsecured loans (others):

In previous year, the Company had availed an unsecured loan from related party (refer note 30) at an interest rate of 10% p.a. These loans are fully repaid in current year.

- The Group has access to undrawn committed borrowing facilities of which ₹ 8,010 lakhs (as at March 31, 2025: ₹ 2,246 lakhs) were unused at the end of the reporting period.

17. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Capital creditors	457	299
Trade deposits from dealers	2,105	1,951
Employee payable (Refer note 42)	1,546	949
Unclaimed dividend (Refer note 12)	51	61
Total current	4,159	3,260

18. Provisions (Refer note 32)

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity	1,899	1,736
Compensated absences	1,089	1,195
Total	2,988	2,931
Non-current provisions	2,425	2,267
Current provisions	563	664

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

19. Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets (net)	3,331	3,826
Total	3,331	3,826

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Property, plant and equipment	(2,786)	(2,469)
Intangible assets and Intangible assets under development	(566)	(700)
Right of use assets	(263)	(66)
Deferred tax assets		
Employee related provisions	995	868
Loss allowances on trade receivables	2,511	1,390
Lease liabilities	271	69
Investments in preference shares measured at FVTOCI	116	116
Unabsorbed depreciation and business loss	3,022	4,571
Others	31	47
Net deferred tax assets	3,331	3,826

Movement in deferred tax assets and liabilities for the year ended March 31, 2026

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities:				
Property, plant and equipment	(2,469)	(317)	-	(2,786)
Intangible assets and Intangible assets under development	(700)	134	-	(566)
Right of use assets	(66)	(197)	-	(263)
	(3,235)	(380)	-	(3,615)
Deferred tax assets:				
Employee related provisions	868	123	4	995
Loss allowances on trade receivables	1,390	1,121	-	2,511
Lease liabilities	69	202	-	271
Investments in preference shares measured at FVTOCI	116	-	-	116
Unabsorbed depreciation and business loss (Refer note ii below)	4,571	(1,549)	-	3,022
Others	47	(16)	-	31
	7,061	(119)	4	6,946
Net deferred tax assets	3,826	(499)	4	3,331

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Movement in deferred tax assets and liabilities for the year ended March 31, 2025

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities:				
Property, plant and equipment	(1,986)	(483)	-	(2,469)
Intangible assets and Intangible assets under development	(573)	(127)	-	(700)
Right of use assets	(10)	(56)	-	(66)
	(2,569)	(666)	-	(3,235)
Deferred tax assets:				
Employee related provisions	552	214	102	868
Loss allowances on trade receivables	489	901	-	1,390
Lease liabilities	11	58	-	69
Investments in preference shares measured at FVTOCI	116	-	-	116
Unabsorbed depreciation and business loss (Refer note ii below)	2,377	2,194	-	4,571
Others	31	11	5	47
	3,576	3,378	107	7,061
Net deferred tax assets	1,007	2,712	107	3,826

- (i) In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods, the Group has recognised deferred tax assets as there is convincing evidence that sufficient taxable profit will be available against which the unabsorbed depreciation and business loss can be utilised by the Group. It is also expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets.

20. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues to micro enterprises and small enterprises	3,715	6,233
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note (ii) below) (Refer note 42)	24,708	23,237
Total	28,423	29,470

Refer note 30 for balance payable to related parties

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

(i) The average credit period on purchases ranges from 90 days - 120 days. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

(ii) Ageing for trade payables outstanding as at March 31, 2026 is as follows:

Particulars	Unbilled	Not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Micro enterprises and small enterprises	-	2,180	1,008	499	4	24	3,715
Other than micro enterprises and small enterprises	5,669	16,032	2,976	25	2	4	24,708
Disputed - Micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	5,669	18,212	3,984	524	6	28	28,423

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Unbilled	Not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Micro enterprises and small enterprises	-	3,297	2,860	52	17	7	6,233
Other than micro enterprises and small enterprises	6,583	10,896	5,750	6	2	-	23,237
Disputed - Micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	6,583	14,193	8,610	58	19	7	29,470

(iii) Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act 2006

The amount due to micro, small and medium enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006" ('Act') has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosure relating to micro, small and medium enterprises are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The principal amount remaining unpaid to any supplier as at the end of the accounting year	3,245	5,763
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	470	470
(iii) The amount of interest paid by the buyer under the Act along with the amounts of payment made to the supplier beyond the appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	470	470
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23	-	-

21. Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advances from customers [Refer note 22 (E)]	641	3,132
Statutory payables	550	782
Other liabilities	38	38
Total	1,229	3,952

22. Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers [refer note (A) below]	1,57,303	1,21,343
Other operating revenue [refer note (D) below]	1,143	2,109
Total	1,58,446	1,23,452

Notes:

(A) Revenue includes:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of manufactured products	1,47,372	1,15,233
Sale of Traded goods	9,931	6,110
Total	1,57,303	1,21,343

(B) Reconciliation of revenue from sale of products with the contracted price:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers as per the contracted price	1,76,020	1,37,338
Adjustments made to contracted price on account of :-		
a. Rebates/ incentives/ discounts	(13,272)	(12,688)
b. Sales returns	(5,445)	(3,307)
Total Revenue from contract with customers	1,57,303	1,21,343

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(C) Disaggregation of revenue information:

The table below presents disaggregated revenues from contracts with customers by customers and geography. The Group believes that the this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Manufactured Products		
Domestic		
Dealer sales	66,256	62,464
Institutional sales	45,761	21,813
Exports		
Institutional sales	35,355	30,956
Total Manufactured Products	1,47,372	1,15,233
Traded goods		
Domestic		
Dealer sales	1,486	1,802
Institutional sales	8,445	4,308
Total Traded goods	9,931	6,110
Total Sales	1,57,303	1,21,343

(D) Other operating revenue

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on overdue trade receivables	768	1,694
Export incentives	257	189
Scrap sales and others	118	226
Total	1,143	2,109

(E) Contract balances

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade receivables, net	45,836	27,496	76,669
Contract assets	541	748	4,824
Contract liabilities (Advances from customers)	641	3,132	1,062

No information is provided about remaining performance obligations at March 31, 2026 or at March 31, 2025 that have an original expected duration of one year or less, as allowed by Ind AS 115.

Contract Liabilities

Contract liabilities include balance received as advance from various customers towards supply of pesticides. The same will be adjusted against the invoices on the basis of delivery and collection of receivables.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount included in contract liabilities at the beginning of the year	3,132	1,062
Revenue recognised during the year	(3,132)	(1,062)
Contract liabilities recognised during the year	641	3,132
Balance as at the end of the year	641	3,132
Expected revenue recognition from remaining performance obligations:		
- within one year	641	3,132

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

The performance obligation is satisfied when control of the goods are transferred to the customers based on the contractual terms. Payment terms with customers varu depending upon the contractual terms of each contract.

23. Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income under the effective interest method:		
- Bank deposits	125	290
- Unwinding of discount on deposits	7	5
Other non-operating income:		
Insurance claims	3	74
Trade receivables written off, recovered	64	213
Net gain on foreign currency transactions and translations	-	120
Miscellaneous income	82	102
Total	281	804

24. Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw material and packing material consumption	1,07,597	78,909
Total	1,07,597	78,909

25. Changes in inventories of finished goods, work in progress and Traded goods

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance		
Work-in-progress	1,482	2,362
Finished goods	9,850	16,039
Traded goods	1,627	2,237
Total opening balance	12,959	20,638
Closing balance		
Work-in-progress	1,850	1,482
Finished goods	12,677	9,850
Traded goods	1,238	1,627
Total closing balance	15,765	12,959
Total (increase)/decrease in inventories	(2,806)	7,679

26. Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	13,544	12,450
Contribution to provident and other funds (Refer note 32)	1,202	1,146
Employee share based payments	64	42
Staff welfare expenses	1,247	1,154
Total	16,057	14,792

Note: Refer note 36 for capitalisation of salary cost to Intangible assets under development.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

27. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on financial liabilities measured at amortised cost	3,476	4,685
Other interest expenses	441	557
Interest on lease liabilities	65	27
Interest expense on financial assets measured at amortised cost	6	7
Other borrowing costs	661	1,219
Total	4,649	6,495

28. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer Note 4)	2,622	2,490
Add: Depreciation of Right of use assets (Refer Note 4A)	270	193
Add: Amortisation of intangible assets (Refer Note 5)	348	264
	3,240	2,947
Less: Depreciation capitalised during the year (Refer note 36)	44	42
Total	3,196	2,905

29. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts	1,234	783
Repairs and maintenance		
Buildings	148	93
Plant and machinery	627	492
Others	43	67
Other manufacturing costs	1,932	1,599
Power and fuel	4,790	3,672
Rent	279	341
Rates and taxes	124	119
Communication expenses	100	103
Travel and conveyance	1,534	1,419
Legal and professional charges	757	1,016
Insurance	386	395
Directors' sitting fees	34	43
Auditors' remuneration (Refer note (i) below)	123	69
Product development expenses	39	238
Loss allowance on trade receivables, net (Refer note (iii) below)	2,985	4,266

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Royalty	598	832
Marketing expenses	2,987	2,997
Freight outward and handling charges	3,468	3,505
Net loss on disposal of property, plant and equipment	51	62
Impairment of intangible assets under development	200	298
Net gain on foreign currency transactions and translations	221	-
Corporate social responsibility expenses (Refer note (ii) below)	-	116
Miscellaneous expenses	1,756	1,193
Total	24,416	23,718

Note: Refer note 36 for capitalisation of other expenses to Intangible assets under development.

Notes:

(i) Auditors' remuneration (net of applicable taxes) comprises of:

Particulars	For the year ended March 31, 2026*	For the year ended March 31, 2025
Statutory audit	92	40
Limited review fee	20	17
Tax audit	-	4
Certification fee	2	1
Reimbursement of expenses	9	7
Total	123	69

* includes ₹46 lakhs paid to erstwhile auditors of the Holding Company.

(ii) Corporate social responsibility (CSR):

As per Section 135 of the Companies Act, 2013 ('Act'), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are Education, Health & Wellness and Community Engagement. The CSR activities of the Company are in line with the Schedule VII of the Companies Act, 2013. A CSR committee has been formed by the company as per the Act. The funds were utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1. Amount required to be spent by the company during the year	-	116
2. Amount approved by the Board to be spent during the year	-	116
3. Amount of expenditure incurred		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	116
4. Shortfall at the end of the year	-	-
5. Total of previous years shortfall	-	-
6. Reason for shortfall	N.A.	N.A.
7. Nature of CSR activities	Educational systems strengthening, Women empowerment, Promoting health care and providing medical support in rural areas and Integrated water resource management.	
8. Details of related party transactions	-	-

There are no unspent amounts related to ongoing and other than ongoing projects.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Loss allowance on trade receivables comprises of:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade receivables written off	543	687
Reversal of loss allowance on trade receivables	(501)	(544)
Loss allowance on trade receivables	2,943	4,123
Total	2,985	4,266

30. Related party disclosures:**(i) Details of associate:**

Names	Nature of relationship
Nasense Labs Private Limited	Associate

(ii) Details of other related parties:

Name	Nature of relationship
E.I.D. Parry (India) Limited	Ultimate Holding Company (w.e.f., August 8, 2025)
Coromandel International Limited	Parent company (w.e.f., August 8, 2025)
KLR Products Limited	Parent company (upto August 8, 2025)
Bright Town Investment Advisor Private Limited	A company in which a KMP has significant influence (upto August 8, 2025)
Krishi Rasayan Exports Private Limited	A company in which a KMP has significant influence (upto August 8, 2025)
Agro Life Sciences Corporation	A company in which a KMP has significant influence (upto August 8, 2025)
Agma Energy Private Limited	A company in which a KMP has significant influence (upto August 8, 2025)

(iii) Key Managerial Personnel (KMP) :

Name	Designation
Mrs. K.Lakshmi Raju	Chairperson (Director) (up to August 8, 2025)
Mr. M Pavan Kumar	Managing Director (up to March 12, 2025)
Mr. G.V.Bhadram	Whole Time Director (w.e.f. March 13, 2025, upto August 8, 2025)
Mr. Sudhakar Kudva	Independent Director (up to August 8, 2025)
Mr. N. Vijayaraghavan	Independent Director (up to August 15, 2024)
Mr. Raghavender Mateti	Independent Director (up to August 07, 2024)
Mr. Atul Churiwal	Nominee Director (up to August 8, 2025)
Mr. Rajesh Kumar Agarwal	Nominee Director (up to August 8, 2025)
Mr. Ramkrishna Mudholkar	Independent Director (up to August 8, 2025)
Mr. Sambasiva Rao Nannapaneni	Independent Director (up to August 8, 2025)
Ms. Veni Mocherla	Independent Director (up to August 8, 2025)
Mr. C.V. Rajulu	Non-executive director (up to March 12, 2025)
Mr. Raj Kaul	Non-executive Director (up to August 8, 2025)
Mr. Santanu Mukherjee	Independent Director (up to August 8, 2025)
Dr. M Lakshmi Kantam	Independent Director
Mr. RKS Prasad	Chief Financial Officer (up to December 12, 2024)
Mr Anish T Mathew	Chief Financial Officer (w.e.f. December 13, 2024, upto December 1, 2025)
Mr. Natarajan Srinivasan	Chairman (Director) (w.e.f. August 8, 2025, upto October 14, 2025)
Mr. Arun Alagappan	Chairman (Additional Director) (w.e.f. October 15, 2025)
Dr. Raghuram Devarakonda	Managing Director & Chief Executive Officer (w.e.f. August 8, 2025)

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Name	Designation
Mr. S Sankarasubramanian	Director (w.e.f. August 8, 2025)
Mr. Suresh Subramanian	Independent Director (w.e.f. August 8, 2025)
Mr. B Raghavendra Rao	Independent Director (w.e.f. August 8, 2025)
Mr. Sanjiv Lal	Independent Director (w.e.f. August 8, 2025)
Mr. N Shankar	Chief Financial Officer (w.e.f. December 1, 2025)
Mr. Satish Kumar Subudhi	Company Secretary (CS)

(B) Transactions during the year :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Sales		
a. Coromandel International Limited	770	-
b. Krishi Rasayan Exports Private Limited	240	836
c. Agro Life Sciences Corporation	545	160
(ii) Purchases		
a. Coromandel International Limited	424	-
b. Krishi Rasayan Exports Private Limited	692	623
c. Agro Life Sciences Corporation	455	220
d. Agma Energy Private Limited	345	506
e. Nasense Labs Private Limited	24	-
(iii) Transaction with Key Managerial Personnel		
a. Rent paid	50	140
b. Sitting fees	35	43
c. Short-term employee benefits	553	405
d. Share-based payments	-	18
e. Post employment benefits	-	*
f. Other long term employee benefits	-	36
g. Professional charges	16	108
h. Loan taken	-	1,000
i. Repayment of Loan	1,000	-
j. Interest on loan taken	36	36
(iv) Others		
a. Coromandel International Limited		
(i) Inter corporate services availed	491	-
(ii) Inter corporate services provided	36	-
(iii) Letter of comfort for loan facility*	45,000	-
(iv) Rights issue subscription	14,438	-

*less than a lakh

Notes:

i. Transactions of purchase and sale of goods including services are carried out at arm's length basis and in the normal course of business and determined based on comparable prices with unrelated parties. Loans and guarantees provided to related parties are also on terms comparable with market rates.

*During the year Coromandel International Limited has issued an letter of comfort to the lenders of the Company which states that CIL shall ensure the Company repays debts under the above facility. The total Letter of Comfort as on March 31, 2026 is ₹45,000 Lakhs (March 31, 2025: Nil). The amount outstanding under the facility as at March 31, 2026 is ₹30,118 Lakhs (March 31, 2025: Nil).

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

(C) Outstanding balances as at the year end

Particulars	As at	
	March 31, 2026	March 31, 2025
(i) Trade payables		
a. Coromandel International Limited	174	-
b. Krishi Rasayan Exports Private Limited	-	163
c. Agro Life Sciences Corporation	-	70
d. Agma Energy Private Limited	-	410
(ii) Security deposits		
a. Key Managerial Personnel	-	70
(iii) Investments		
a. Nasense Labs Private Limited	816	1,549

31. Contingent liabilities, Financial Guarantee and Capital Commitments

A. Contingent Liabilities

S. No.	Particulars	As at	
		March 31, 2026	March 31, 2025
(i)	Claims against the Group not acknowledged as debts in respect of the matters under dispute:		
	Excise duty	17	17
	Service tax	15	15
	Income tax	349	616
	Sales tax	94	94
	Goods and Service tax	388	441
	Export benefits (MEIS)	199	199
(ii)	Others	3	135
	Total	1,065	1,517

Note: Contingent liabilities mainly pertain to disputed tax demands under appeal/pending before various appellate / assessing authorities against the Group and litigations with various parties. It is expected that there will be no outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same. The amounts disclosed above represent our best estimate and the uncertainties are dependent on the outcome of the legal processes initiated by the Company or the claimant as the case may be.

B. Financial Guarantee

The Company had given guarantee for the term loan and working capital facilities availed by the NACL Spec-chem Limited (wholly owned subsidiary) to HDFC Bank Limited and Axis Bank Limited of ₹ Nil (March 31, 2025: ₹ 10,864 lakhs).

C. Commitments

S. No.	Particulars	As at	
		March 31, 2026	March 31, 2025
(i)	Estimated amount of contracts, remaining to be executed on capital account and not provided for (net of advance)	324	43
	Total	324	43

Note: The Group entered into contract to purchase certain items of property, plant and equipment.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

32. Employee benefit plans

a) Defined contribution plan - Provident fund

The Group makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the fund administered and managed by the Government of India. The Group's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. Total expense recognised during the year aggregated ₹ 916 lakhs (March 31, 2025: ₹ 870 lakhs).

b) Defined benefit plan - Gratuity

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Group, provides for Gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such Gratuity plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss for the year determined. The Gratuity fund is administered through a scheme of Life Insurance Corporation of India.

The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk. The gratuity plan is funded. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan and the group contributes to LIC.

Amounts recognised in statement of profit and loss in respect of these defined benefit i.e. Gratuity plans are as follows:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Current service cost	196	203
Net interest expense	90	73
Components of defined benefit costs recognised in statement of profit or loss	286	276
Re-measurement on the net defined benefit liability:		
- Return on plan assets excluding interest income	(1)	3
- Actuarial losses arising from Demographic Assumptions	-	-
- Actuarial gain arising from experience adjustments	92	361
- Actuarial losses arising from changes in financial assumptions	(77)	42
Components of defined benefit costs recognised in other comprehensive income/loss	14	407
Total	300	683

Defined Benefit Obligation (DBO)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Present value of DBO at the beginning of the year	1,975	1,473
Current service cost	196	203
Interest cost	124	99
Actuarial losses arising from Demographic Assumptions	-	-
Actuarial losses / (gains) arising from experience adjustments	92	361
Actuarial losses arising from changes in financial assumptions	(77)	42
Benefits paid	(319)	(203)
Present value of DBO at the end of the year	1,991	1,975

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Fair value of plan assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan assets at the beginning of the year	239	417
Interest income	33	26
Employer contributions	138	3
Benefits paid	(319)	(203)
Return on plan assets excluding interest income	1	(3)
Present value of plan assets at the end of the year	92	239

Major Category of Plan Assets as a % of the Total Plan Assets

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Reconciliation of net Defined Benefit Liability / (Asset)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Defined Benefit Liability / (Asset) at the beginning of the year	1,736	1,056
Current service cost	196	203
Interest cost	91	73
Return on plan assets excluding interest income	(1)	3
Actuarial losses / (gains) arising from experience adjustments	92	361
Actuarial losses arising from changes in financial assumptions	(77)	42
Employer contributions	(138)	(3)
Net Defined Benefit Liability / (Asset) at the end of the year	1,899	1,736
Non current	1,615	1,408
Current	284	328

Assumptions

Particulars	Gratuity plan	
	As at March 31, 2026	As at March 31, 2025
Discount rate	7.52%	6.83%
Expected rate of salary increase	6.00%	6.00%
Attrition rate	8.00%	8.00%
Retirement age	58 years	58 years
Mortality table	Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	

The estimates of future salary increases considered in the actuarial valuation take account of price inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligation.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Sensitivity analysis

Scenario	For the year ended March 31, 2026	
	DBO	Percentage Change
Under base scenario	1,991	-
Salary escalation - up by 1%	109	5.47%
Salary escalation - down by 1%	(130)	-6.53%
Attrition rate - up by 1%	(14)	-0.70%
Attrition rate - down by 1%	(18)	-0.92%
Discount rate - up by 1%	(121)	-6.07%
Discount rate - down by 1%	102	5.10%
Mortality Rates - Up by 10%	*	0.01%
Mortality Rates - Down by 10%	*	-0.01%

Scenario	For the year ended March 31, 2025	
	DBO	Percentage Change
Under base scenario	1,975	0.00%
Salary escalation - up by 1%	125	6.32%
Salary escalation - down by 1%	(114)	-5.78%
Attrition rate - up by 1%	2	0.10%
Attrition rate - down by 1%	(2)	-0.12%
Discount rate - up by 1%	(105)	-5.32%
Discount rate - down by 1%	118	5.95%
Mortality Rates - Up by 10%	*	0.01%
Mortality Rates - Down by 10%	*	-0.01%

* less than 1 lakh

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Expected maturity analysis of cash flows on an undiscounted basis

Particulars	As at March 31, 2026	As at March 31, 2025
Duration of Defined Benefit Obligations		
Within 1 year	289	335
Year 2	285	229
Year 3	262	229
Year 4	253	219
Year 5	210	211
> 5 years	2,012	1,912

Expected contribution to the post-employee benefits plan during the next financial year is expected to be ₹ 289 lakhs (March 31, 2025: ₹ 266 lakhs), based on the amount recognised in the statement of profit and loss in respect of gratuity.

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2025: 7 years)

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

c) Labour code

On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four codes.

The four codes prescribe an inclusive definition of the term 'wages', which among other matters is relevant for determination of post-employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also introduce changes related to leave entitlement and encashment for workers. Going forward, workers' leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire accumulated leave.

The Group has assessed financial implications of these changes and noted that its existing salary structure as well leave policies are in compliance with the requirements of the labour codes. Accordingly, the Group has concluded that the changes do not have any material impact on its financial statements. Considering that it is emerging topic and the finalisation of Central/ State Rules is still pending, the Group will continue monitoring changes and provide appropriate accounting effect as required based on future developments.

33. Financial instruments

33.1 Capital management

The Group's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating. The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Gearing ratio

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current borrowings	-	8,462
Current borrowings including current maturities of non-current borrowings	30,118	31,132
Lease liabilities	1,078	273
Cash and cash equivalents	(269)	(5,731)
Other bank balances	(3,192)	(204)
Net debt (Refer note (i) below)	27,735	33,932
Equity (Refer note (ii) below)	68,292	42,706
Net debt to equity ratio	0.41	0.79

No changes were made in the objectives, policies or processes for managing capital for the year ended March 31, 2026 and March 31, 2025.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Notes:

- Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and other bank balances.
- Equity includes issued equity capital, securities premium and all other reserves.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

33.2 Fair value measurements

The carrying value and fair value of financial instruments as at March 31, 2026 and March 31, 2025 were as follows:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Other investments (refer note (iii) below)	1	1	1	1
Trade receivables	45,836	45,836	27,496	27,496
Cash and cash equivalents	269	269	5,731	5,731
Other bank balances	3,192	3,192	204	204
Other financial assets	744	744	683	683
Total	50,042	50,042	34,115	34,115
Financial liabilities				
Borrowings (refer note (i) below)	30,118	30,118	39,594	39,594
Lease liabilities	1,078	1,078	273	273
Trade payables	28,423	28,423	29,470	29,470
Other financial liabilities	4,159	4,159	3,260	3,260
Total	63,778	63,778	72,597	72,597

Notes:

- Borrowings include non-current and current borrowings (Refer Note 16)
- In case of trade receivables, cash and cash equivalents, other bank balances, borrowings, trade payables, and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Investments (unquoted) are measured at fair value through initial designation in accordance with Ind-AS 109.

33.3 Fair Value by hierarchy

Valuation technique and key inputs

Level 1

Quoted prices (unadjusted) in an active market for similar assets or liabilities.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3

Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Quantitative disclosures of fair value measurement hierarchy - Level 3 for financial instruments:

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Unquoted preference shares designated at fair value through OCI	1	1

The fair values of the unquoted preference shares have been estimated using a Discounted Cash Flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, earnings growth, discount rate, and probabilities of the various estimates within the range used in management's estimate of fair value for these unquoted preference investments.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

Valuation inputs and relationships to fair value:

The following table summarises the valuation technique used in measuring the fair value of the financial instruments, as well as the significant unobservable inputs used. The total value of investments in unquoted preference shares are not material. Hence quantitative disclosures are not disclosed.

Particulars	Significant-unobservable inputs	Valuation process	Sensitivity of the inputs to fair value
Investment in unquoted preference shares	Earnings growth rate	i) Earnings growth factor for unlisted preference shares are estimated based on the market information of similar type of companies and also considering the economic environment impact.	Any increase in earnings growth rate would be immaterial.
	Discount rate	ii) Discount rates are determined using a capital asset pricing model, i.e., a borrowing rate at which the Group would be able to borrow funds on similar terms.	Any increase in discount rate would be immaterial.

Transfer between level 1 and 2:

There have been no transfers from level 2 to level 1 or vice-versa in 2025-26 and 2024-25.

33.4 Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Financial risk factors:

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group has adequate internal processes to assess, monitor and manage financial risks. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The liquidity risk is measured by the Group's inability to meet its financial obligations as they become due.

a) Market risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

b) Currency risk

The Company is exposed to foreign exchange risk through imports from overseas suppliers in various foreign currencies, exports to customers abroad, bill discounting, buyer's credit, packing credit. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Company monitors and manages its financial risks by analysing its foreign exchange exposures. The Company, in accordance with its Board approved risk management policies and procedures, enters into foreign exchange forward contracts to manage its exposure in foreign exchange rates.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

The following table analyses foreign currency exposures from financial instruments that have not been hedged by a derivative instrument as of March 31, 2026:

Particulars	US Dollars	₹ (in lakhs)
Cash and cash equivalents	1,43,000	136
Trade receivables	87,65,599	8,312
Borrowings	(8,03,819)	(762)
Trade payables	(60,55,738)	(5,743)
Net assets/(liabilities)	20,49,042	1,943

The following table analyses foreign currency exposures from financial instruments that have not been hedged by a derivative instrument as of March 31, 2025:

Particulars	US Dollars	₹ (in lakhs)
Cash and cash equivalents	4,26,851	365
Trade receivables	64,50,721	5,513
Borrowings	(72,42,000)	(6,190)
Trade payables	(78,22,913)	(6,686)
Net assets/(liabilities)	(81,87,341)	(6,998)

Sensitivity analysis:

For the year ended March 31, 2026 and March 31, 2025, every increase / decrease of ₹ 1 in the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 20 lakhs/ (₹ 20 lakhs) and ₹ 82 lakhs/ (₹ 82 lakhs) respectively and Impact Equity, net of tax by ₹ 15 lakhs/ (₹ 15 lakhs) and ₹ 61 lakhs/ (₹ 61 lakhs) respectively..

c) Interest rate risk

The Group draws term loans, working capital demand loans, avails cash credit, foreign currency borrowings including buyer's credit, packing credit etc. for meeting its funding requirements. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of borrowings having fixed and floating rate of interest. The borrowings are serviced on a timely manner and repayments of the principal and interest amounts are made on a regular basis. However, the Group does not have any floating rate borrowings outstanding.

d) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, deposits with banks, foreign exchange transactions and other financial instrument. Credit risk is managed through credit approvals, monitoring the creditworthiness and establishing credit limits of customers to which the Group grants credit terms in the normal course of business. The group collects security deposits from its dealer customers which act as security against the outstanding trade receivables from such dealer customers. In the event of default, these security deposits can be adjusted against the uncollectible trade receivables from such dealer customers. The Group establishes an expected credit loss model and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade receivables:

- The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom the Group grants credit terms in the normal course of business. The credit period on sale of goods varies with seasons and markets and generally ranges between 30 to 120 days. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually.

As a practical expedient, the Group uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

- (ii) The concentration of risk with respect to trade receivables is reasonably low, as Company's customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. Trade receivable amounting to ₹ Nil lakhs (March 31, 2025: ₹ 2,204 lakhs) is due from customers who represent more than 5% of total trade receivables.

Security deposits:

It consists of rent, electricity and other deposits. The Group does not expect any financial loss as the said deposits are given only to credible vendors/ service providers.

Cash and cash equivalents and deposits with banks:

Cash and cash equivalents and deposits of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents and deposits with banks have low credit risk based on the external credit ratings of the counterparties.

e) Other price risks

- (i) The Group is exposed to valuation of equity investment risks as the Group's equity investments are held for strategic rather than trading purposes.
- (ii) The Group's operating activities require the ongoing import of key raw materials, it is exposed to commodity risk due to its reliance on international suppliers for raw materials, making it vulnerable to fluctuations in global market prices, currency exchange rates, and geopolitical events. The group's effective risk management strategies are in place to mitigate potential adverse effects on production and profitability.

f) Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group's principal sources of liquidity are cash & bank balances, credit facilities and cash generated from operations.

The working capital position of the Group:

Particulars	As at March 31, 2026	As at March 31, 2025
Current assets	82,451	66,576
Current liabilities	64,727	68,706
Working capital	17,724	(2,130)

The table below provides details regarding the contractual maturities of financial liabilities presented on an undiscounted basis as at March 31, 2026:

Particulars	Carrying value	Less than 1 year	1-5 years	above 5 years
Trade payables	28,423	28,423	-	-
Borrowings and interest thereon	30,118	30,118	-	-
Lease liabilities	1,078	211	999	143
Other current financial liabilities	4,159	4,159	-	-
Total	63,778	62,911	999	143

The table below provides details of financial assets as at 31 March 2026:

Particulars	Carrying amount
Trade receivables	45,836
Cash and cash equivalents including other bank balances	3,461
Total	49,297

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

The table below provides details regarding the contractual maturities of financial liabilities presented on an undiscounted basis as at March 31, 2025:

Particulars	Carrying value	Less than 1 year	1-5 years	above 5 years
Trade payables	29,470	29,470	-	-
Borrowings and interest thereon	39,594	31,132	8,462	-
Lease liabilities	273	140	281	-
Other current financial liabilities	3,260	3,260	-	-
Total	72,597	64,002	8,743	-

The table below provides details of financial assets as at 31 March 2025:

Particulars	Carrying Amount
Trade receivables	27,496
Cash and cash equivalents including other bank balances	5,935
Total	33,431

The Group's obligation towards payment of borrowings has been included in note 16.

34. Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/(Loss) for the year attributable to shareholders of the Parent Company	457	(9,213)
Basic:		
Weighted average number of equity shares	21,78,68,442	21,58,25,335
Earnings/(Loss) per share (₹)	0.21	(4.27)
Diluted:		
Effect of potential equity shares on employee stock options outstanding	4,65,102	81,385
Weighted average number of equity shares outstanding	21,83,33,543	21,59,06,720
Earnings/(Loss) per share (₹)	0.21	(4.27)

35. Research and development expense charged to Statement of Profit and Loss account:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee benefits expense	508	174
Depreciation	53	81
Other expenses	285	181
Total	846	436

36. Development expense capitalised:

Revenue expenditure capitalised during the year under respective heads:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee benefits expense	383	693
Depreciation	44	42
Other expenses	488	332
Total	915	1,067

37. Leases:

The Group leases office buildings and Land. The leases pertain to office buildings and land leases typically run for a period of 3 to 99 years, with an option to renew the lease after that date.

The Group has certain leases with lease terms of less than 12 months. The Group applies short term lease recognition exemption for these leases. The incremental borrowing rate for lease liabilities is 8%.

i) The following is the movement in lease liabilities during the year ended:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	273	43
Add: Lease liabilities recognised during the year	1,102	363
Less: Lease liabilities derecognised during the year	(164)	-
Add: Interest cost accrued during the year	65	27
Less: Payment of lease liabilities including interest	(198)	(160)
Balance at the end of the year	1,078	273
Non-current lease liability	949	154
Current liability	129	119

ii) Amount recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation	270	193
Interest expense	65	27
Expenses relating to short-term leases and low-value assets (included in other expenses)	279	341
Total	614	561

iii) Maturity analysis of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	211	140
One to five years	999	281
More than five years	143	-

38. Operating Segments:

Operating segments are components of the Group whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete information is available. All the Group's business activities fall within a single primary segment viz., "sale of farm inputs". Further, the Group sells its products mainly within India where the conditions prevailing are uniform.

Geographical Information

The Group operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Group are situated within India.

Revenue – Sale of products	For the year ended March 31, 2026	For the year ended March 31, 2025
India	1,21,948	90,387
Outside India	35,355	30,956
Total	1,57,303	1,21,343

The Group's revenue includes ₹ 15,964 lakhs (March 31, 2025: ₹ 15,847 lakhs) which arose from sales to the Group's largest customer. No other single customer contributed 10 per cent or more to the Group's revenue in either FY 2025-26 or 2024-25.

(All amounts in ₹ lakhs, unless otherwise stated)

Notes forming part of the Consolidated financial statements

39. Additional disclosure related to consolidated financial statements:

List of subsidiaries and associates considered for consolidation

Name of the Company	Relationship	Country of incorporation	Percentage of voting power as at March 31, 2026	Net assets		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income		
				March 31, 2026	% of consolidated net assets	March 31, 2026	% of consolidated profit/(loss)	March 31, 2026	% of consolidated other comprehensive income	March 31, 2026	% of consolidated total comprehensive income	
NACL Industries Limited	Company	India	108%	73,540	108%	2,274	498%	(16)	160%	(16)	505%	2,258
LR Research Laboratories Private Limited	Subsidiary	India	100%	(5)	*	(1)	*	-	-	-	*	(1)
Nagarjuna Agrichem (Australia) Pty Limited	Subsidiary	Australia	100%	12	*	-	-	-	-	-	-	-
NACL Spec-Chem Limited	Subsidiary	India	100%	(150)	*	(1,617)	-354%	7	-70%	7	-360%	(1,610)
NACL Multichem Private Limited	Subsidiary	India	100%	(8)	*	(87)	-19%	-	-	-	-19%	(87)
NACL Agri-Solutions Private Limited	Subsidiary	India	100%	101	*	(7)	-2%	-	-	-	-2%	(7)
NACL Industries (Nigeria) Limited	Subsidiary	Nigeria	100%	-	-	-	-	-	-	-	-	-
Nasense Labs Private Limited**	Associate	India	26%	816	1%	(16)	-4%	-	-	-	-4%	(16)
Eliminations			-9%	(6,014)	-9%	(89)	-19%	(1)	10%	(1)	-20%	(90)
Total			100%	68,292	100%	457	100%	(10)	100%	(10)	100%	447

*less than 1%

**Refer Note 6A.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

39. Additional disclosure related to consolidated financial statements: List of subsidiaries and associates considered for consolidation

Name of the Company	Relationship	Country of incorporation	Percentage of voting power as at March 31, 2025	Net assets		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
				March 31, 2025	% of consolidated net assets	March 31, 2025	% of consolidated profit/(loss)	March 31, 2025	% of consolidated other comprehensive income	March 31, 2025	% of consolidated total comprehensive income
NACL Industries Limited	Company	India		46,148	108%	(7,308)	79%	(319)	100%	(7,627)	80%
LR Research Laboratories Private Limited	Subsidiary	India	100%	(4)	*	-	-	-	-	-	-
Nagarjuna Agrichem (Australia) Pty Limited	Subsidiary	Australia	100%	11	*	-	-	-	-	-	-
NACL Spec-Chem Limited	Subsidiary	India	100%	(3,653)	-9%	(1,844)	20%	(1)	*	(1,845)	19%
NACL Multichem Private Limited	Subsidiary	India	100%	(90)	*	(57)	1%	-	-	(57)	1%
NACL Agri-Solutions Private Limited	Subsidiary	India	100%	108	*	5	*	-	-	5	*
NACL Industries (Nigeria) Limited	Subsidiary	Nigeria	100%	-	-	-	-	-	-	-	-
Nasense Labs Private Limited	Associate	India	26%	698	2%	33	*	2	*	35	*
Eliminations				(512)	-1%	(42)	*	(1)	*	(43)	*
Total				42,706	100%	(9,213)	100%	(319)	100%	(9,532)	100%

*less than 1%

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

40. Exceptional items

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Impairment of intangible assets under development	(1,028)	-
(ii) Impairment of non-current investments	(717)	-
(iii) Insurance claim received	-	2,926
Exceptional items	(1,745)	2,926

For the year ended March 31, 2026, pursuant to a strategic review, the Group has decided to discontinue certain products under development and other investments, which has been disclosed as exceptional items.

For the year ended March 31, 2025, exceptional item pertains to favourable ruling related to Holding Company's insurance claim proceeding.

41. Acquisition of majority Stake by Coromandel International Limited and rights issue

Pursuant to (i) share purchase agreement dated March 12, 2025 among Coromandel International Limited ("CIL"), KLR Products Limited, Mrs. Kanumuru Lakshmi Raju and Bright Town Investment Advisor Private Limited ("Promoter SPA"); (ii) share purchase agreement dated March 12, 2025 among CIL and M/s. Agro Life Science Corporation; (iii) share purchase agreement dated March 12, 2025 among CIL and M/s. Krishi Rasayan Exports Private Limited; and (iv) the mandatory open offer made by CIL to the public shareholders of NACL in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"), CIL has acquired in aggregate 10,69,12,581 equity shares of NACL representing 53.08% of the voting share capital of NACL. Consequently, CIL has acquired control of NACL and became the promoter of NACL and NACL has become a subsidiary of CIL with effect from August 8, 2025.

The Holding Company has made a rights issue of 32,501,851 fully paid up Equity Shares of face value of ₹ 1 each for a price of ₹ 76.7 per rights equity share (including a premium of ₹ 75.7 per rights equity share) aggregating up to ₹ 24,929 lakhs for repayment of debt of ₹ 10,400 lakhs of the Holding Company, ₹ 8,300 lakhs towards repayment of debt of a subsidiary (NACL Spec chem Limited) and balance towards general corporate purposes and issue expenses. These equity shares are allotted on December 31, 2025. These funds has been utilised for the purpose it was raised and unutilized amount of ₹ 3,080 lakhs is deposited in earmarked bank account, pending utilization for general corporate purpose. Subsequent to rights issue, CIL's stake increased to 53.73%.

Earnings per share for all the comparative periods have been retrospectively adjusted for the effects of the rights issue.

42. Reclassification

During the year, in view of improved presentation, the Group has reassessed presentation of following:

1. Rebates to customers and provision for sales returns, have been adjusted against "trade receivables", which were earlier included in "other financial liabilities" amounting to ₹ 5,040 lakhs as at March 31, 2026 (₹ 4,015 lakhs as at March 31, 2025).
2. Accrued salaries and wages to employees have been reclassified under "Other financial liabilities" which were earlier included in trade payables amounting to ₹ 352 lakhs as at March 31, 2026 (₹ 157 lakhs as at March 31, 2025).
3. Right to return assets have been reclassified under "Inventories" which were earlier included in "Other current assets" amounting to ₹ 541 lakhs as at March 31, 2026 (₹ 748 lakhs as at March 31, 2025).

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

43. Additional regulatory 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 entity(ies), 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) Other than as disclosed in note 41 relating to transfer of proceeds of rights issue of ₹ 8,300 lakhs for repayment of loan to the Company's wholly owned subsidiary NACL Spec-Chem Limited, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (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 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 has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (viii) The Company does not have any charges which are yet to be registered with ROC beyond the statutory period. The Company does not have any satisfaction of charges which are yet to be registered with the ROC beyond the statutory period except for:

Charge Holder name and ID	Amount	Location of Registrar
Bank of Baroda - 90261984	2,040	Hyderabad
Canara Bank - 90247742	604	Hyderabad
ICICI Bank limited - 90262175	150	Hyderabad

The satisfaction of above charges is pending for registration due to procedural delays at the ROC Hyderabad and the Company is currently following up with the ROC to complete the registration of such satisfaction.

Notes forming part of the Consolidated financial statements

(All amounts in ₹ lakhs, unless otherwise stated)

- (ix) The Company has borrowings from banks and financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the 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 favour 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.
- (xii) The Company has not revalued any of its property, plant and equipment (including right-of-use-assets) and intangible assets during the year.
- (xiii) The Company does not have any transactions with companies which are struck off
- (xiv) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year..
44. The Holding Company and subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level insofar as it relates to primary accounting software. Further no instance of audit trail feature being tampered with was noted in respect of other software. Additionally, the audit trail has been preserved as per the statutory requirements for record retention, to extent it was enabled and recorded in the prior years.

As per our Report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

Shankar Srinivasan
Partner
ICAI Membership No: 213271

Place : Hyderabad
Date : May 4, 2026

For and on behalf of the Board of Directors
NACL Industries Limited
CIN: L24219TG1986PLC016607

Sankarasubramanian S
Director
(DIN: 01592772)

N. Shankar
Chief Financial Officer
Place : Hyderabad
Date : May 4, 2026

Dr. Raghuram Devarakonda
Managing Director & CEO
(DIN: 09749805)

Satish Kumar Subudhi
Company Secretary
ICSI Membership No.: FCS 9085



NACL Industries Limited

CIN: L24219TG1986PLC016607

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